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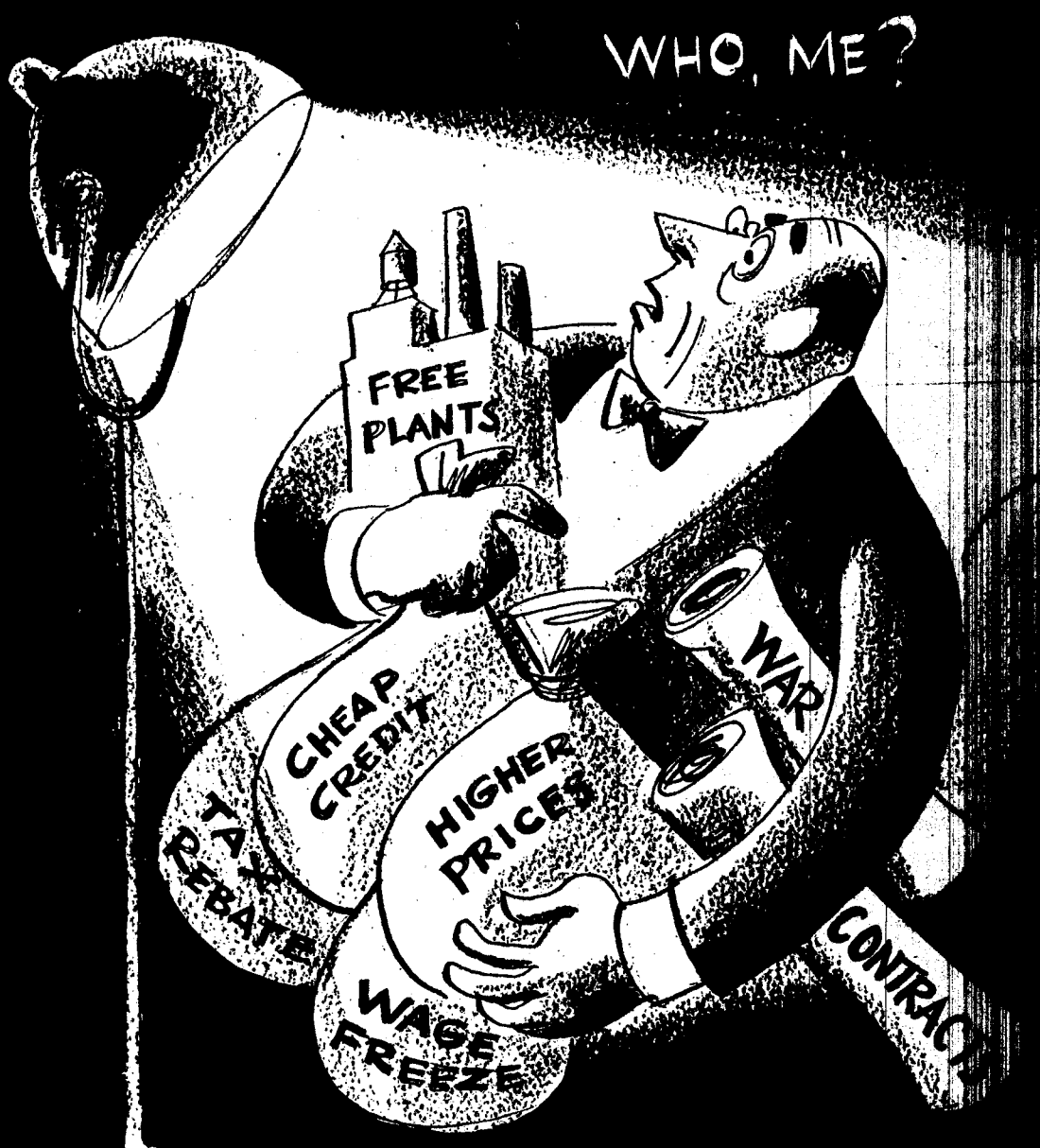

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New Republic

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EDITOR: Michael Straight
EDITORIAL DIRECTOR: Bruce Bliven
PUBLISHER: Daniel Mebane
ASSOCIATE EDITOR: Helen Fuller
ASSISTANT EDITOR: Elizabeth Huling
REPORTER: Jean Begeman
CONTRIBUTING EDITORS: Malcolm Cowley, John Farrelly, Harold L. Ickes, Joseph P. Lash, Max Lerner, James R. Newman, Gus Tyler
DEPARTMENTS: Robert Hatch (Chief), Cecil Smith (Music), Saul Carson (Radio and Television), Harold Clurman (Theatre), Lincoln Kirstein (Fine Arts)
COPY ASSISTANTS: Marjorie Stanley, Lucille Davis

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WASHINGTON WIRE

We don't see how Truman can avoid firing MacArthur. It may cause a row with Republicans, but that is inevitable anyway. Our own idea is that MacArthur's supposed political strength is a myth built up by the very failure of Truman to deal with him. The present contemptuous insubordination of MacArthur can't go on. Truman has been trying to avoid the showdown, knowing that when the new Japanese peace treaty is signed, General MacArthur's role of "emperor-by-proxy" will end anyway. MacArthur is forcing the issue now. He has adopted a deliberately mischievous attitude without parallel in our history. Truman's slowness to act is a cause of humiliation to Americans abroad while it is practically suicidal to his own prestige here at home.

Meanwhile, the draft bill comes to a vote in the House this week. Efforts to "scare" Universal Military Training through the chamber appear to have failed. First it was Secretary Marshall, passionate advocate of UMT, who warned the country that the nation's peril is equal to that at the height of the Korean crisis. Then Speaker Rayburn, coming from the White House, told the House that "We stand in the face of terrible danger and maybe the beginning of the third world war." Then Truman told his press conference that the danger is just as great as ever.

There can be no doubt that relaxed effort and complacency hang like a cloud over Washington. The Administration wants to counteract it. Again, men like Marshall, who have seen the US enter every war unprepared and tear its armies to bits when the war ended, feel that permanent preparedness under UMT is vital for self-preservation. But in the face of all this, the House is still in no mood for the program. It is likely to accept instead a face-saving, make-believe UMT proposal under which decision is reserved until some further crisis does (or does not) occur. If the new Vinson compromise is approved, it will mean protracted bargaining with the Senate which approved full UMT at the height of our retreat in Korea.

Many observers believe that the proposed deferment of bright college students from the draft won't pass Congress. The idea looks all right to Director of Selective Service Hershey and some educators, but it runs counter to deep instincts that in a democracy draft service is a universal duty. The contempt and dislike that would fall on brainy youths from their fellows if they accepted privileged status must also be reckoned with.

Marshall, Rayburn and Truman were mysteriously ambiguous about the supposed new dangers confronting America. Were they simply talking for political effect? Probably not. The Chinese Communists seem about ready for their counter-offensive. It may be the supreme test in Korea. Hostile air power has increased there, almost certainly manned and supported by Russians in Manchuria. If Russia does intervene now to any degree with planes and naval vessels, it is difficult to see how general war can be avoided. The Soviet Union may suppose that it can fight a limited war in Korea — as Japan did along the Amur River before World War II. But limited wars are possible only with dictatorships and autocracies. Public opinion in a democracy would hardly permit such a neat little packaged struggle. One reason top Administration leaders are issuing solemn warnings of peril now may be to emphasize that point for Moscow.

After three months of debate, the Senate approved sending more troops to Europe, a result everybody expected. The final majority was more than three-to-one. We doubt if a vote was changed

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by the long delay. What the isolationists did was to entangle in the international issue a domestic political squabble between the President and Congress. An ambiguous provision, the McClellan amendment, was finally included calling on Truman to get legislative approval before sending more than the four divisions to Europe. This amendment passed 49 to 43. Its fate was really decided at last November's election. Of the eight new Republican Senators then elected, all but Duff of Pennsylvania voted for the McClellan amendment. They put it over. The Taft-Wherry forces tried to give the amendment the force of law but failed. Nevertheless, the ambiguous phraseology and its emphasis on the still-unsettled constitutional issue of the White House versus Congressional power are potential trouble makers. Significant, too, is the increasing tendency of Southern conservatives to follow the Taft-Wherry leadership for the first time into the field of foreign affairs.

Separation of power between the White House and Congress did little harm for the first 150 years of American life. Fast action was not important. But can we continue much longer with a system that stalls vitally needed tax legislation indefinitely in Congress, and that requires three months to reach a vote on a troops-for-Europe issue? Senator Lodge (R., Mass.), deploring the McClellan amendment, voiced the views of many Americans in declaring it "particularly dangerous because it will make many persons wonder whether, after all, our system of government, which has lasted so many years, can meet the challenge of modern times, or whether it has been made so rigid by artificial, legalistic interpretations that it is becoming a millstone round our necks." In one of the greatest crises in history the record of Congressional enactments to date this session is almost nil.

Our man Jones who was down at the White Sulphur Springs economists' gathering last week came back with paeans for roly-poly price administrator Mike DiSalle. He says Mike is all ready to crack down on the meat packers.

Washington T.R.B.

CORRESPONDENCE

Wanted: A Solomon

SIR: A neat example of conflict between federal and state legislation (which incidentally imperils the professional life of teachers in New York) is provided by the Williamson law signed by Governor Dewey on March 21, 1951.

The federal Smith act makes it unlawful for any person knowingly to advocate the desirability of overthrowing any government in the United States by force or violence.

The New York Williamson law makes mandatory the teaching of the principles of government proclaimed by the Declaration of Independence. Included in these principles are the well-known and subversive clauses reading, "Whenever any form of government becomes destructive of these ends it is the right of the people to alter or abolish it."

Is there a Solomon in the house?

Yonkers, N. Y. BENJAMIN MAZEN

The Wrong Douglas

SIR: Apropos TRB's plumping Sen. Paul Douglas for President this week, I am satisfied that TRB needs a vacation from the Washington scene and I, for one, am willing to contribute for such a purse.

For it is obvious to me that TRB, usually prescient and keen, is becoming dull-witted.

Clearly, he has confused the *first names* of the men named Douglas who are being mentioned for the Presidency. Despite his earlier reputation, which he has been shedding fast, Paul is now just another Democratic politician, albeit the Massachusetts accent. But William O. Douglas, as witness his article on Asia in the *New Republic* (March 12) and many earlier utterances, is a statesman, perhaps the only one we now have whom true liberals may support.

When TRB learns the difference between Paul and William O. Douglas let him then return from his vacation. Buenos Aires would be a good place for him to go, to learn the difference between phony and real friends of labor.

Fremont, Ohio HARRY BARNARD

[We'd happily settle for either Douglas.—THE EDITORS]

TV Supplement

SIR: Undoubtedly, the publication of your supplement, "Television and Education." (*NR*, February 26) in co-operation with the NAEB will do a great deal toward crystallizing public opinion. It may well have an effect on the future of television in this country for many years to come. It is a practical contribution to the understanding of a public issue, of which you can be extremely proud.

SEYMOUR N. SIEGEL,
President, National Association
of Educational Broadcasters

New York City

Thanks

SIR: I wish to say that Percy Winner's column is the best in your magazine. . . . Your book reviewers and Percy Winner are the elevating factors in the *New Republic.*

I also appreciate Robert Hatch's movie reviews. I only wish he reviewed more movies so that I could better space my movie-going.

McKeesport, Pa. LAWRENCE STRAUS

Stalemate in Korea?

SIR: General MacArthur has put the world on notice that the war in Korea approaches a stalemate. As a military commander, he naturally considers this a most unsatisfactory forecast; he wants a victory for his forces and it is not unlikely that he wants a triumph for himself. But before the governing heads of the United Nations and the United States decide to break the deadlock by providing MacArthur with more troops or by permitting him to extend the war to Manchuria (both of which he tacitly requests) they might do well to consider whether a stalemate is not precisely what they want.

If, as MacArthur certainly believes, we are engaged in an undeclared war with China, then the only possible *conclusions* to the conflict in Korea are that we shall defeat the Chinese or that the Chinese shall defeat us. In either case, Korea will be long forgotten before either end is accomplished and the whole world will probably be dragged into this war to the death. The third and only other possibility is that both sides will give up a fight that neither can win and that the dispute will be thrown back into the area of diplomacy from which it once tragically escaped. The third possibility, in other words, is the stalemate which MacArthur now deplores.

New York City ROBERT LITTLE

Pro-Davies

SIR: A. Powell Davies' "Democracy as a Universal Purpose" (*NR*, March 5) is the best of its kind I have ever read, and I am grateful to Reverend Davies and the *New Republic* for the opportunity of reading it.

Mena, Ark. WILBUR CLARKE BENTON

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VOLUME 124, NUMBER 16, ISSUE 1898, WASHINGTON, D. C., APRIL 16, 1951 **New Republic**

KOREA AND WORLD POLITICS

It is no secret that we are a mercurial people. Our national temperature rushes up and down the thermometer with dizzying speed—so fast, in fact, that sometimes it meets itself going in two directions at once.

This is the case at the present moment. Congress and a large part of the population are still largely dominated by the complacent apathy induced by the military successes of the past few weeks; but the Pentagon, the White House and some of the press and public have the jitters in fear of possible military reverses to come. There is a tremendous massing of Chinese and Korean Communist forces in North Korea, presumably assembled in preparation for a big push. There have been alarming, but unsubstantiated, reports of a heavy concentration of airplanes in Manchuria, with the unauthenticated assumption that they are part of the Russian air force. General Marshall tells us that the threat of world war is getting worse, and President Truman partly corroborates him with the opinion that a new conflict is as likely now as it has ever been.

Our troubles are political as well as military. General MacArthur, one of the world's supreme egoists, has ignored orders from the Chiefs of Staff that he stop making non-military pronouncements, and has again issued a statement without advance clearance. He insists that Asia is the main battleground in the war against Communism and demands the right to pursue that war without any limitations, including the use of Chinese Nationalist troops from Formosa. His disobedience of orders from Washington is so brazen that it seems like a calculated defiance, as though perhaps he were trying to force the President to recall him. Such a recall would involve great difficulties: MacArthur is in Korea as commander for the United Nations, not the United States. He is in Japan representing the victorious Allies in the Second World War and presumably, either his dismissal or selecting any successor in that post would have to meet the approval both of Chiang Kai-shek and the Russians.

Although MacArthur is nominally the UN commander in Korea, in fact many nations in the world organization are in varying degrees suspicious of or hostile toward his leadership. The same nations are, in roughly the same extent, getting increasingly worried about the Korean venture itself. They try to draw a distinction between a limited effort to halt armed aggression in that country and the worldwide battle against Communism which they regard as an American idea and an American responsibility.

Some of the most important nations in the UN show a disheartening and disconcerting lack of interest in collective security maintained through that body. They justify their attitude by the argument, which may in part be sincere, that they fear MacArthur's tactics may precipitate an immediate full-scale world war between the Communist and non-Communist blocs. Their fears fall in nicely with their desire to keep their present trade with, and material possessions in, the Far East. Meanwhile the Arab-Asian bloc of countries goes on trying desperately to persuade the Chinese Communists to accept a truce—thus far, with no success.

As might have been expected, the Korean War has lasted long enough to produce a new spurt of isolationism in this country, built, paradoxically enough, on two conflicting ideas: on the American losses, and on the feeling that lately we have been doing well enough so that we could put an end to the enterprise without dishonor. The immediate expression of this isolationism has been the effort by Congress to keep in its own hands control of the sending of American troops to Europe.

All this adds up to a gloomy picture, but not a hopeless one. For a balanced perspective we must cling to a few fundamental facts.

1. The danger to world peace, and the only danger, lies in Russian ambition to conquer the world, which is partly Communist zeal and partly old-fashioned Slavic imperialism. No other country that is powerful enough to be of importance is now bent on aggression. Communist China would like to share in a Russian campaign of conquest, but would herself be of little danger if Russia were not behind her.

2. The attempt by some nations in the UN to distinguish between resisting aggression in Korea and the worldwide attempt to contain Communism is therefore unrealistic in the extreme. The two things are part of the same problem. Russia would certainly have attacked Western Europe before this if she thought she could get

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away with it. In the present state of military weakness in the West, she is deterred only by our superiority in atom bombs, and this situation of critical danger seems likely to continue for the next year or two.

3. In these terms it is clear that the central area of danger is Europe, not Asia. To lose Asia would be a heavy blow, but to lose Europe would be a fatal one. Within another year or two, we shall be in a position to defend Europe; while on the contrary, if we took MacArthur's advice and now started a full-scale war in the Orient, we could bleed ourselves to death on that Continent. If Communism can be halted in Europe, Asiatic Communism is likely to wither on the vine.

4. This does not mean, however, that we should try, as many people are now saying we should, to get out of Korea immediately and on any possible terms. Apart from the enormous losses that would be involved in an attempt at evacuation, such an action would destroy the usefulness of the UN as an agency for collective security, which in turn would destroy the UN itself. It would give Communism a boost in prestige worth hundreds of divisions. Such a development would not avert, or even postpone, a third world war; on the contrary, the conflict would be hastened.

In short, we must resist the extremists on both sides, the MacArthurs who would plunge us into a vast immediate conflict in the Orient, and the appeasers who would try to bribe Stalin with another Munich. It is a tragic fact that a world most of whose people long so desperately for peace must now return to the ways of war; but there is no avoiding it, just as there was no way to avoid Hitler's challenge in 1939. The guess of the best-informed experts is that Russia is afraid to start a third world war at the present time. She is unlikely, therefore, to give aid in Korea on a scale with which we cannot cope. The price will be high, but we shall pay it, if we realize the still higher price that surrender now would entail.

Totalitarian states conceal their inward weaknesses; democratic ones not only reveal their weaknesses but often exaggerate them. That is why the totalitarians always look strong, up to the moment of collapse, and why the democracies sometimes look as though they were collapsing, up to the moment of victory. We are stronger than the Russians, at this moment, in many ways that no one ever bothers to mention. Our civilization can and will survive, unless we destroy it by our own lack of faith.

THE WEEK

CHINESE STUDENTS SEE RED

Caught between deportation orders and the Korean War, thousands of Chinese students who are now attending American universities face a dubious future. Their situation has not been helped by an intra-governmental squabble in which the State Department is fighting to keep them here while the Justice Department is seeking to enforce immigration laws which would exclude them after they finish their studies.

The students' case has been limelighted by the issuing of deportation orders to 31 Chinese studying at the Universities of Chicago and Illinois, some of whom are in the middle of their courses. Authorities say that "some" of those involved are under suspicion of having Communist connections, but no attempt was made to distinguish McCarran law cases from those resulting from normal immigration laws. From the bureaucratic confusion emerges a deplorable attempt on the part of the Justice Department to wash its hands of a difficult matter by shipping the students back to China in wholesale lots.

The ridiculousness of sending trained scientists and technicians to help the Mao Tse-tung regime is evident enough and is little affected by questions as to whether some of the students are basically Communist. Pressure resulting from this consideration has caused immigration authorities to delay the deportation proceedings begun in Illinois. But official callousness toward the interests and rights of the individual students, many of whom are anti-Mao, is emphasized by the fact that the Justice Department has after nine months not yet "promulgated" a law enacted last June, which would allow students to stay here after their studies are completed. It is clearly time for *one* government body to take charge and establish a clear policy. The 500 students who will complete their academic work this June have a right to know their status and to pursue careers here until such time as the conflict between their national and political allegiances is resolved.

TAFT'S ECONOMIC REPORT

Congressmen who still believe that the emergency has bred a unanimity of purpose in which partisan politics are forgotten were given a rough jolt last week by the issuance of the joint Senate-House annual economic report. Led by Sen. Robert Taft (R, Ohio), the Republicans managed to shape the report into a repudiation of the Fair Deal under the guise of "emergency needs." As a result, the Joint Economic Committee, established by the 1946 Full Employment Act to blueprint economic policies, has become a sounding board for some of the more noxious of Republican economic doctrines.

Heavy responsibility for the Taft victory lies on the shoulder of Commit-

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tee Chairman Joseph O'Mahoney (D, Wyo.). In a vain attempt to gain unanimity, O'Mahoney allowed the Republican minority to prevail. Republican members are crowing over the "marked shift in position and emphasis of the majority as compared with previous reports," which resulted. "The report recognizes," wrote the Republicans, "the thin margin of safety left in our economic structure as a result of the unsound and too long-continued national economic policies."

Liberal proposals were relegated to dissenting footnotes throughout the report. To counter the majority's view that "traditional local methods of financing education and medical aid and public health should again be more fully relied upon," the liberals had to resort to small-print demands for "adequate educational facilities for the children who will be growing up during this long-term period of armed alert." In another instance they were forced to splutter indignantly against the committee's mouthing of such super-orthodox nonsense as that "the defense garment should be cut to the revenue cloth."

The Taft victory on the economic report is not sweetened by the fact that the committee is basically one of the most liberal in the Congress. It contains such top-notch Fair Deal Senators as Paul Douglas (D, Ill.), William Benton (D, Conn.), John Sparkman (D, Ala.) and House liberals like Richard Bolling (D, Mo.), Frank Buchanan (D, Pa.), Edward Hart (D, N. J.) and Wright Patman (D, Tex.). Unfortunately a number of the liberals found themselves tied up with committee work and special causes and let their vital voices go unheard in the writing of the final report.

The Joint Economic Committee was intended to and can fulfill a leading function in blueprinting Congressional policies, examining and commenting positively on the President's economic report and on the economic policies of the executive departments. It did this in a few instances in the current report as when it demanded that "the government must more vigorously push programs to aid small business" and that international aid programs "should not be hog-tied to military objectives, but should represent the assistance which one freedom-loving people extends to others. . . ."

But there is open admission in Congress that Administration forces fumbled the ball in the writing of the 1951 report, as they have on a number of other vital issues this session. Partly this is because the Economic Committee, youthful as it is, has not fully utilized its potential prestige and influence. It has been content with research and preparation of a few important annual statements, while other committees offer year-round lecture platforms. This year's experience has proved that Taft appreciates the committee's potential influence, if the rest of the committee does not.

TO AID OR NOT TO AID

Israel's deserving bid for $150 million of United States food and materials aid, which has already been seconded by 36 Senators of both parties, is likely to be opposed by the same forces which have turned thumbs down on the proposed wheat grant to India. The crusading patriots whose cries against India's independent policy have kept vitally needed food from starving Indians are getting ready to argue that they can't set any dangerous precedents by voting help for Israel.

Actually, Israel's present request is the first one that country has made since its birth. In view of the overwhelming economic difficulties Israel faces as a result of the huge and continuing inflow of Jewish immigrants, the request is by no means unreasonable. With its population increased by about a half-million new immigrants in the last two years, Israel vitally needs interim assistance if it is to integrate the immigrant masses in its economic structure. Aid is asked essentially for basic foods and building materials so as to allow Israel to further increase its vital investment program, which in 1950 accounted for 30 percent of the national income.

But the small clique of House Rules Committee members who have kept the Indian aid bill bottled up are not likely to relent easily. Like India, Israel is not an avowed member of the Western bloc, although it is one of the few "neutrals" which have openly moved closer to us since the Korean crisis. Essentially both requests pose the question of whether the United States should help independent democratic countries strengthen their economies. In India's case it is a matter of preventing stark starvation; in Israel's, one of helping provide economic sustenance for thousands of refugees from fascist and Arab persecution. In both cases the request is backed up by vital strategic considerations. The magnitude of India's political and potential military power in Asia is balanced by an equally vital Israeli potential, since Israel is becoming the Near East's outstanding industrial power and the possessor of an army whose excellence has been proved and whose size is second only to Turkey's in that region.

HERBLOCK IN THE WASHINGTON POST

Sermon on the Mount

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TROOP COMPROMISE

As the dreary and repetitious Great Debate drew to a close after three months of talk, the significant had become so confused with the meaningless, the real with the mythical, that the flurry of final votes seemed almost to contradict each other. The debate has settled no major issue and opened up a confusing host of minor ones. The basic question—US participation in Atlantic defense—had been settled long before by government policy and public opinion. At best the Senate's compromise resolution will be a peg on which future commitments can be hung.

The vote by which the resolution backing four more divisions for Europe was finally passed, a decisive 69 to 21 ballot, showed clearly the ample margin of support which the Administration's basic policy enjoys. On the showdown, Minority Leader Kenneth Wherry's (Neb.) isolationist forces could rally only a score, with Sen. J. William Fulbright (D, Ark.) voting "no" in protest against the resolution's weak wording. The affirmative roster consisted of an almost unanimous list of Democrats; supporting Republicans included not only the Eastern internationalists but also such moderate America Firsters as Taft (Ohio), Capehart (Ind.), Watkins (Utah) and Millikin (Colo.). The Republican ranks split 27 to 19 in favor of the resolution.

To understand the significance of the legislative wobbling on the preliminary votes, it is essential to realize that Senators were voting on a resolution which has no legal effect, a factor which reduced their usual sense of responsibility even further. The most alarming of the amendment votes—the McClellan proposal to ask the President not to send more than four divisions without Congressional approval—passed because of the leaders' overconfidence and the personal reservations of a number of solons.

The shallow nature of the opposition's tactics was brought out in the concluding day of the debate when Wherry issued a press release claiming that "the Senate's action on troops for Europe carries out the purposes of the resolution introduced by me January 8." When Connally demanded why he was then voting against the resolution he declared: "I will vote against it because included in the resolution is authority to send troops to Europe." When Connally asked what he was for, Wherry said: "I want to have mastery of the air. I think mastery of the air is the greatest deterrent." Connally replied in mock protest: "But the Senator already has mastery of the hot air."

OBSCENITY IN IOWA

DAVENPORT, IOWA (NR corresp.)

Early last month the Catholic Mothers Study Club, the Parent Teachers' Association Council and the Women's Club of Dubuque, Iowa, demanded that County Attorney John L. Duffy rid the town (population, 50,000) of "indecent literature"—certain 25-cent editions of *Sanctuary* and *Wild Palms* by William Faulkner, *Tobacco Road*, *Georgia Boy* and *God's Little Acre* by Erskine Caldwell and *Tales of the South Pacific* by William A. Michener, to name a few mentioned by the ladies.

As the first tactical move, the club women sent their own teen-age children out to buy the "objectionable" publications. Within ten days, all of Caldwell's books had disappeared from Dubuque newsstands and the others were going fast. They issued an obscenity indictment against Dubuque newsdealer James Norton for distributing such books. Attorney Duffy handed the question of "obscenity in literature" to the Dubuque County grand jury. He confiscated Fielding's *Tom Jones*, Boccacio's *Decameron* and several other books from the public library to "give the grand jury something with which to make a comparison." He subpoenaed two State University of Iowa professors, Rhodes scholar and poet Paul Engle and W. R. Irwin, to give "expert" testimony as to the definition of obscenity in literature. Duffy won the final round last week when the jury failed to return an indictment in its investigation of whether modern, earthy novels by prominent authors are art or obscenity.

The only aftermath of the controversy: Humbert Albrizie, well-known Iowa sculptor and instructor at the State University of Iowa, cancelled a sculpture demonstration before the local Art Association because he "would not feel comfortable talking about art in Dubuque."

CALIFORNIA VIGILANTES

LOS ANGELES, CAL. (NR corresp.)

In the California legislature the vigilantes are riding hard again. Under the provisions of a bill pending in the state Senate every person who holds a license or permit issued by the state department of professional and vocational standards, and every applicant for such a license, must file a prescribed affidavit of loyalty. Along with lawyers who are covered by a supplementary bill, doctors and dentists are waging the strongest fight against the loyalty oath. The bill also affects such guardians of the public safety as accountants, architects, barbers, beauty operators, detectives, funeral directors and embalmers, veterinarians, dry cleaners, liquor dealers and even yacht brokers and prizefighters.

Neither the absurdity nor the obvious illegality of tying a political test to the livelihood of business and professional people has lessened the feverish ardor of the legislators. However, the voters may get their first chance to hand down their own verdict on loyalty oaths. A charter amendment which has already passed the State Assembly and faces little opposition in the Senate provides a loyalty oath for some 320,000 public employees and holders of legislative, executive and judicial offices. It must be approved by the voters at the next general election before it becomes law.

Also being considered by California legislators are bills which would:

Require any person who resides, works, regularly enters or travels in the state and has "reason to believe he is or may become a member of a Communist organization," to register with the attorney general;

Require applicants for a change of name to be fingerprinted by the State Bureau of Criminal Investigation;

Establish an Anti-Communist Civil Liberties Defense Commission to determine the identity and to require registration of members of "totalitarian organizations."

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OUTSIDE AMERICA

THE MEANING OF NKRUMAH

Kwame Nkrumah was in the process of getting one of the milder forms of corrective suasion which British colonial governments traditionally use on "native trouble-makers." He had been in jail for a year, accused of fomenting an illegal strike, on the day the political organization he created, the Convention People's Party, won a great victory for "Self-Government Now" in the African Gold Coast election. Naturally, he was pleased. The British Broadcasting Company, in its foreign-language programs, called the release a gesture of generosity. It was in fact sagacity: the British are political realists, even the British colonial governments, when "native troublemakers" force them to be. The House of Commons sent a message of good will to the newly elected, and predominantly African, Assembly of the colony.

The victory of the Convention People's Party is important, not only because it amounts to a remarkable success for local nationalism in a colony which has been one of the world's most exploited territories. It takes on special significance because, in the personality and training of the man who made it possible, Nkrumah, it suggests the kind of leadership to which Africans will respond.

In 1909, Nkrumah was born in a tiny village in the interior; he went to Roman Catholic mission schools at Essiama and Sekondi, then to college at Achimota. When he was 26 he went to America by way of England. In 1939, he was graduated from Lincoln University in Pennsylvania. During the next few years, he began to take an active part in the movement for African emancipation; his first experience of leadership was the presidency of the African Students' Association of America and Canada. After the war, he went once again to England and, at the age of 36, attended the London School of Economics and also studied law. During this period, he had contacts with the Communists, served on Communist-organized committees and got a training in leadership and agitation, because, as the London *Observer* points out, "The only political organization in Britain catering specifically for such men is, of course, the Communist Party."

On the invitation of Dr. Danquah, Nkrumah returned to the Gold Coast at the end of 1948 to become general secretary of the United Gold Coast Convention. Banished to the primitive northern territories by the government, he was called back to answer charges of being the "leader" of a ritualistic secret society, called "The Circle," dedicated to "Service, Sacrifice and Suffering," and also of being a Communist. This he denied. After a split with Dr. Danquah in June, 1949, he formed the CPP with its slogan, "Self-Government Now." The *Observer*, rather less than sympathetic, or even fair, says:

> Nkrumah became the national hero, almost a god. Hymn-tunes were chanted with his name in place of the Deity's; crowds surged around him when he appeared, dressed in a brilliantly colored cloth, flung toga-like over one shoulder, leaving the other magnificently bare or revealing a smart linen suit. His imprisonment greatly enhanced his popularity. But his martyrdom is not the basis of his appeal—nor is his considerable charm, his slightly sullen good looks, his financial integrity, nor his grotesque and vivid imagery of speech. His appeal lies fundamentally in his ability to convey a sense of what every detribalized African is seeking—a nation and a faith.

The great practical strength of the CPP is an efficient organization that would not do discredit to a party in the United States or England. But the Manchester *Guardian* points out the real source of the strength:

> It lies in the emotional force of nationalism which, contrary to much of the belief in government quarters in Accra, has touched every town and bush village in the country. It is sometimes said that the CPP has Communist leanings; even that it is Communist-dominated. This is untrue. It has been, as in January, 1949, and may again become a revolutionary force, but its revolutionary spirit is that of Mazzini, not Marx. . . . It may turn out to be a good thing that a popular party, even a near-revolutionary one, should have won a decisive ascendancy at the first elections.

The Governor of the Colony and his aides have the power under the Constitution to influence or (if they dare) to try to stop altogether the development of the "near-revolutionary" CPP, now in a position to drive ahead toward that "Self-Government Now." All signs suggest, however, that this power will be used sagaciously, if not entirely generously. Thanks to Kwame Nkrumah, his personality, and his training in America and England, the Africans of the Gold Coast are not likely to have to cope with the kind of colonialism that still seems to exist in some parts of Asia, for example in Malaya.

While the British administration on the Gold Coast was releasing the CPP leader from jail, the British administration in Malaya was literally blotting out Jenderam, a town of 1,500 inhabitants in Selanger state, because a small proportion of the people had either sympathized with the Communists or had been terrorized into collusion with them. It was not a Lidice or a Guernica. No one was killed. But troops arrived at dawn one day, loaded every human being into trucks, drove off the cattle, burned every house within a radius of 12 miles and carried the people to a new settlement more than 100 miles away. At a time when German mass murderers are being released from jail, the British are themselves adopting the principle of mass guilt and the practice of mass punishment. This is a fact that the Kremlin can use with great effect in its propaganda, while the triumph of "near revolution" on the West Coast of Africa is the last thing the Communists would want to have generally known.

Paris PERCY WINNER

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HAROLD L. ICKES: *The Congress: Commander-in-Chief*

THE SENATE has decided to ignore the designation of the President in the Constitution as Commander-in-Chief of the Army, the Navy and the Air Force, and substitute itself for him. Who is so eminently qualified to decide delicate questions of logistics and strategy, whether on land, water or in the air? The concept is almost as brilliant as that of the late Huey Long's, "Every man a king." In times when the world has no sooner given birth to one war than it has become an expectant mother of another, it is better to be a general than a king. There are already many kings looking for jobs and wondering whether it would be misunderstood by the common people if they should advertise in the "jobs wanted" column.

Generals are at a premium. Moreover, the job of a mere king has become drab. There is no Louis XIV today to dress himself like a rainbow and, followed by imitative courtiers, drive in a gilded coach-and-eight to fill the eyes of admirers along the roads to Versailles. During those days, in addition to a brilliantly upholstered queen, a king was allowed by a tolerant public to display an ornate mistress or two, or, as in the case of "Le Grand Monarque," a succession of mistresses. Except in the few feudal countries that are left, the modern king has no power; and he has good reason to go to bed at night wondering when his oppressed people will at last rise and either chase him into exile or kill him as he is "attempting to escape." To be sure, the King of England has some compensations to make up for the limitations that the English people have imposed upon their monarchs since the days of Henry VIII. Interestingly enough, these compensations have a military coloration. If one day, King George VI may appear in the dazzling uniform of commander-in-chief of the Coldstream Guards; on another occasion he may don the decorative regalia of an admiral, postponing to another time the exposure of his knees as he struts in colorful Scottish kilts.

Of course, here in America, our Commander-in-Chief, who so far has also been our President, has never become addicted to the heady wine that brilliant uniforms, dazzling decorations and colorful service ribbons constitute. His eminence has rested upon the fact that the glamor of his great office has been sufficient to distinguish him in the eyes of the people as he has taken his infrequent trips to the Capitol or to some public ceremony. But as between its constituent elements, our new collective commander-in-chief, as distinguished from the President, needs something to make its components recognizable for what they are, now that the Senate at least—whatever the House of Representatives may do—has decided that the members of Congress should take over such important duties and high prerogatives. The Senators, hoping that the House of Representatives will follow suit, owe it to themselves as well as to the awed populace to do something to make it possible for the latter to stand out in their self-assumed glory so that, being aware, the people may be properly awed by their new crop of military experts. To be sure, the vote on this usurpation of power was a close one—49 as against 43—with one presumptive admiral, Senator McKellar of Tennessee, abstaining. Among the recalcitrants who opposed the McClellan amendment was Sen. Henry Cabot Lodge Jr. of Massachusetts, who recognized that the effect of the action taken "would convert the Senate into 'an operations branch of the Army general staff'."

It now becomes the duty of the Senate to bedeck its Senator-Generals appropriately and bestow ranks commensurate with the powers that have been assumed. The President of the Senate and the Speaker of the House forthwith should be made six-star generals and be endowed for life with the emoluments and privileges that our five-star generals now enjoy. Upon Senator-General Taft, it is suggested that five and one-half stars be bestowed. The mine-run of Senators should be satisfied with five stars each, which would rank them with Gen. Dwight Eisenhower, but, of course, they should have all of the trimmings and prerequisites. It would be a natural for Senator-General McCarthy to be put in charge of "misinformation." All should be given automobiles and uniformed drivers with all personnel, maintenance and replacement costs to be paid out of the Treasury. Military, naval and air aides, to say nothing of personal physicians, should be provided without delay, as well as well-manned official airplanes.

Most important of all, each Senator-General should be supplied with distinguishing uniforms and decorations. It will be a field day for the custom tailors of Washington. They will have no difficulty in molding into dazzling uniforms such men as Senator-General Lodge of Massachusetts, Douglas of Illinois and Hennings of Missouri. But they will be hard put to it to turn into martial figures that will command the respect and admiration of the people, such Senator-Generals as Connally of Texas, Wiley of Wisconsin and McCarran of Nevada. Surely it will not be long before Rep.-Gen. Sam Rayburn will demand equal consideration for his envious colleagues.

HAROLD L. ICKES

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SPOTLIGHT ON MOBILIZATION

I. MASTERS OF DEFENSE

REPUBLICAN big business has established a de facto government on the banks of the Potomac. The cabinet of Harry S. Truman has, in effect, been displaced in the Administration of the defense program. The new masters of Washington are to be found in the Office of Defense Mobilization, the Defense Production Administration, the National Production Authority, the Economic Stabilization Agency, the Office of Price Stabilization and the Munitions Board—at all the points where crucial decisions regarding the $200 billion to be spent for military preparedness in the next four years are being made. The forces which these men are setting in motion by their decisions are strong enough to change the shape of our whole economy.

The men who run the major government business of defense are bound together by ties of old friendship and close association through many years on boards of directors, in the management of interlocking companies, in Republican politics and in the camaraderie of the more exclusive golf clubs of Westchester and Grosse Pointe. Most of the top defense officials have won their business spurs in the sales departments or as front office executives of the 200 largest corporations in America. Only a handful have the special experience in industrial production which presumably should be the primary requirement for these jobs. There is scarcely a small businessman among them. Their success has been largely built on mergers and consolidations of small companies into big ones, on practices considered questionable by the Department of Justice and the Federal Trade Commission, on a constant widening of the price margin and a steadily increasing ratio of profits. Their natural concern is to preserve and extend the status quo. Small businessmen, small farmers, wage earners and consumers generally would have difficulty in finding a group of men less understanding of their needs and aspirations.

Left unchallenged, the group which has come to Washington in the cabinet of Charles E. Wilson is likely to turn American capitalism into the mockery of democracy which the Communists wish it to become. The $50 billion defense fund to be spent in 1951 is being directed so as to enrich the major companies in all our industries, to give tax concessions and price relief where they are least needed, to starve small businesses of defense contracts and allocations of scarce materials, to protect monopoly for the future by preventing the necessary expansion of production of critical items like copper, steel and electric power. Several years of heavy government spending controlled by these men could produce a complete concentration in US industry and the end of the "free enterprise" system.

Who are these men who have taken control in Washington and how are they using their positions to make the government work for big business?

The following pages spotlight the past associations and the present powers of those now in authority and describe the possibly fatal results that are building up under their command.

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II. TWENTY MEN ON THE POTOMAC

THE NUMBER of businessmen who have come to Washington either as consultants or administrators in the months since Korea reaches into the thousands. Some firms are directly represented in the mobilization government by one or more of their present or former employees. Other companies are content with only indirect representation in the new hierachy through men from the banking houses which float their securities or from companies with whom their firms interlock on directorships. Still other businesses have such firmly established lines into the regular departments of the government laid down through the years that they have felt no need for special pleaders.

About 100 men with direct lines into big business have landed in policy-making spots in the defense agencies. Some of the most important of them occupy what appear to be relatively minor positions in the mobilization structure. Examination shows, however, that often they hold the real power and the high-sounding titleists merely pass on their operations. We focus the spotlight on 20 men indicated by our research as industry's top ambassadors in government today.

SIDNEY J. WEINBERG

A seldom publicized business politician, Sidney Weinberg, is the hub of the mobilization wheel. His title today, as in World War II, is special assistant to Charles E. Wilson. His actual job then and now is to serve as the recruiting and placement officer of the Wilson organization, bringing dollar-a-year men of the right type into the right jobs. As a shrewd manipulator around Washington since NRA days, Weinberg is a capable instructor for the new recruits from the world of finance and business on how to operate in the world of government.

A partner in the investment-banking firm of Goldman Sachs and Company, since 1927, Weinberg is also a director of 13 major corporations, including the General Electric Company from which his present "boss" Charles Wilson comes. Goldman Sachs is closely related to many of the largest American enterprises. Weinberg personally sits on the boards of the following concerns: B. F. Goodrich, Lambert Company, Continental Can, N and L Realty Company, General Foods, Cluett Peabody and Company, National Dairy Products, General Cigar Company, Van Raalte, Madison Square Garden Company, McKesson and Robbins, General Electric and Sears Roebuck.

Weinberg either sits on the boards or is a director of corporations which directly interlock with at least seven of the firms represented by the 20 men on the Potomac. He sits on the GE board with Charles Wilson, on the Continental Can board with Lucius Clay and on the General Foods board with Edwin Gibson. GE and the Babcock and Wilcox Co. interlock, tying him up with Cornelius Middleton. GE also interlocks with Kennecott Copper in which Frank Searls has a major interest. GE interlocks with Goodyear, Spencer being an officer of that firm for many years. And Continental Can, on whose board Weinberg sits, interlocks with the Boston and Maine Railroad which Richard L. Bowditch heads. The availability of information through these interlocks is invaluable to these corporations, James Mead, Federal Trade Commission chairman, brought out in his recent report on interlocking directorates.

The de facto "cabinet" of the Charles E. Wilson administration is actually the concoction of Sidney Weinberg.

While Weinberg and his friends are busy running the production program at one end of Pennsylvania Avenue, the Department of Justice at the other end of the Avenue is directing the prosecution of Weinberg's firm and 13 other major investment-banking houses—many of whom also have men in the Wilson administration—of violation of the Sherman Act. Every morning for the last four months government lawyers have appeared before Judge Harold Medina in New York to argue that these firms, whose representatives are currently making government policy, are guilty of agreeing not to compete among themselves in the sale of security issues and agreeing to utilize their domination and control over the securities business to promote consolidations and to concentrate the business into a single market with a minimum of risk. A major complaint of small business today is over the wiping out of competitive bidding for government defense orders. Weinberg's firm has been brought into court by the federal government on charges of practically the same activity in business. If this alleged business conspiracy is found by Judge Medina to be an actual conspiracy, Weinberg will have been in position to have compounded the acts of which he is now accused.

OFFICE OF DEFENSE MOBILIZATION

Civilian headquarters in Cold War Washington are in the Office of Defense Mobilization. From there,

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Weinberg, his chief, Charles E. Wilson, Lucius Clay and Fred Searls have made staff decisions. They have been accustomed to seeing each other and sharing big business interests around the board tables of three big corporations: General Electric (C. E. Wilson, president; Weinberg, member of the board); Continental Can (Clay, Chairman; Weinberg, member of the board); Newmont—copper-mining investment house (Searls, president; Clay, member of the board).

From these four corporations spring relationships with six of the ten largest commercial banks in the country, among them the Chase National Bank, the Guaranty Trust Company and the Central Hanover Bank of New York City, all of whom put Wall Street far ahead in representation of financial cliques. From this point in the investment world the ties lead through common directors to some of the country's largest insurance companies, the big steel corporations, rubber companies and railroads. These four men moved from the center of the big business world to the center of the defense mobilization organization.

Lucius D. Clay. A major part of the labor criticism of Wilson's organization has been leveled at General Clay, and there is a general inclination in Washington to believe that Clay's resignation from the ODM on March 30 was designed to take off the heat rather than to change the policies Clay represented. Wilson has already announced that Clay will be called upon from time to time to act as "a consultant." Prior to March 30, the General could be found on Mondays and Fridays at his desk in Continental Can's New York offices. Tuesdays, Wednesdays and Thursdays he spent in Washington. Weinberg, Clay and Wilson all have homes in fashionable Scarsdale, near New York City, where they spend weekends together, sometimes accompanied by Searls, playing golf and planning their Washington work.

Clay's resignation may change his daily schedule, but he will surely continue to advise Wilson. And he will continue to meet Fred Searls, whenever as director he comes to the board meetings of the Newmont Mining Company, which Searls heads.

Clay's genuine administrative ability is widely recognized. Just as genuine is labor's distrust of him. Trade union leaders cannot forget Clay's role in urging the May-Bailey "Work or Fight" bill in 1944. They believe that he favors conscription of labor today at the first opportunity, and that is the major reason labor opposes the wresting of manpower authority from the Department of Labor.

Fred Searls, president of Newmont Mining Company, largest copper-mining investment house in the country, and a large shareholder in many foreign copper mines as well as in the Phelps-Dodge Company and Kennicott Copper Inc., two of the largest copper-producing companies in the country, was Wilson's assistant in charge of raw materials. Searls resignation a week after Clay's does not change the modus operandi of the mobilization program any more than Clay's did. Enough representatives of big business remain to carry out the defense program as it was laid out by Weinberg, Wilson, Clay and Searls.

US copper production is off 200,000 tons a year from peak World War II output. The shortage has not yet shown up in consumer or defense production, but serious dislocations are beginning that foreshadow trouble in industry this coming fall. The answer lies in increasing production, particularly in the small, marginal copper mines. Until his resignation neither Searls nor the National Production Authority, responsible for such planning, had made an attempt to examine the copper problem, much less provide the basis for a solution of it.

Federal subsidies to small high-cost American copper mines is one major answer. Searls opposed this, and worked against domestic subsidies when they were proposed in Congress. But he never balked on the subsidy principle when it was a matter of ECA aid to countries where his foreign copper-mining interests are located.

Without more copper, production of civilian consumer goods must be heavily cut in favor of defense goods. If production lines stop, workers will be laid off. Labor forces let off now will not be available when defense production begins in the fall. Wilson's materials expert offered no plan to prevent this.

Charles E. Wilson rules under the broadest grant of power ever given to an official, other than the President, in time of peace. Executive Order 10193 authorizes Wilson to "direct, control and co-ordinate all mobilization activities of the executive branch of the government, including, but not limited to, production, procurement, manpower, stabilization and transport activities." President Truman's White House staff first saw this order after it was signed, so presumably Wilson wrote his own ticket and brought it in his coat pocket for Truman to sign.

The order, in effect, set Wilson up as a super-cabinet officer with the right to issue directives to regular agencies, dictating their policies and operations relating to the mobilization program. The cabinet members most concerned with defense—Secretaries Chapman, Brannan, Sawyer and Snyder—find that in practice Wilson now

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deals directly with the businessmen who have come into defense posts in their departments. They are in a very poor position to protest since the blank-check authority under which Wilson is operating carries the signature of Harry S. Truman.

Wilson has never been shy about using power. Toward the end of World War II, when he was top vice-chairman of the War Production Board and Donald Nelson was chairman, Wilson used all the weight he could summon to defend the business principles closest to his heart.

After V-E Day, Nelson was disposed to permit some plants, mainly smaller companies, to reconvert to production of civilian goods. Wilson saw this as a threat to the competitive position of big business. If little business were to get a head start in the postwar civilian goods market, big business might lose customers, and little business might get bigger. He killed the Nelson plan by lining up the military men who sided with big business in wanting continued war production, even though they could not use all the materials needed for a two-front war in a one-front war. General Clay, then in the Pentagon, was Wilson's military aide in that power-play against Nelson and small business.

There is no reason to believe that Wilson will be any more shy about using his power to look out for big business at the expense of little business now than he was in 1944. When Wilson recently appeared before the Congressional Joint Economic Committee, Rep. Wright Patman (D, Tex.) expressed concern over the fact that present contract-letting methods do not give small business a fair chance at defense orders and asked if a revival of the Smaller War Plants Corporation of the last war would not help solve the problem. Wilson replied, "I should live so long as to see that." (In World War II the SWPC took prime contracts, broke them into small parts and let them to small business concerns as sub-contracts.) "Then how can small companies get government business?" Patman demanded. Wilson blandly answered, "Easily. Go out and get it. You don't have to have it come to you on a silver platter with gold lace. In the last war, before I came down here to Washington, I was a peddler of this stuff. I went out and got it."

Under Wilson's administration of defense, contracts, allocations of materials, priorities, credit and the subsidies for new plants are not going to companies in the under-500-employees class. A look at the men in Wilson's chain of command who are making the big decisions about production and what they are doing will explain why.

Defense Production Administration

The DPA directs the entire defense production program, limited only by the Defense Production Act and the pronouncements of the Office of Defense Mobilization. Within its province are such vital operations as procurement, contracting, loans for plant expansion and certification of tax amortization.

Heading the DPA is William Henry Harrison, former president of that tightest of world monopolies, the International Telephone and Telegraph Company. Wilson arranged for Harrison to come to Washington as head of the first defense production agency last year, months before he came himself. Harrison keeps house at the DPA and sees that everything runs smoothly.

Edwin T. Gibson, the deputy administrator for staff services under Harrison, handles the big job at the DPA. Gibson is the certifying authority for tax amortization. He holds the purse strings on government loans and grants to corporations for the expansion of their productive capacity. He arranges for the procurement of metals, minerals and other raw materials. For such a significant post, the top masters of mobilization selected the $100,000-a-year executive vice-president of General Foods, Inc., one of the giants in the grocery business of the country with direct interlocks with such blue-chip industrial firms as General Electric, American Can, the Texas Company and McKesson and Robbins.

Under Gibson's friendly policies, major companies are receiving whopping tax deductions to cover investments in new plants and machinery. In 1940, in order to encourage private industry to expand its capacity, the Internal Revenue Code was amended to permit companies building new facilities needed for the national defense program to write off the cost for tax purposes in five years rather than the normal 15 to 20 years. From then until September, 1945, when the issuance of certificates of necessity under this plan was discontinued, 54,000 applications were received and approximately 41,000 were issued for facilities estimated to cost about $7.3 billion. About 80 percent of the certifications made by the War Production Board in those years were for only 35 percent of the cost of the facilities.

In a national emergency when rapid expansion of production capacity is required, it is necessary sometimes for the government to offer heavy tax concessions to business to persuade it to take the initiative. But today under the DPA and Gibson, accelerated amortization is turning into a government give-away program. A small number of large companies are receiving tax write-offs

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averaging 74 percent and frequently running at 90 to 100 percent. More than $2.5 billion has already been certified, with companies from which the 20 men on the Potomac come sharing heavily in the benefits—General Electric, Jones and Laughlin and Bethlehem Steel, to name but three. US Steel is building a $400 million steel plant; the government will pay US Steel $300 million of the cost in terms of taxes that it will save; the company will actually pay only one-fourth of the cost and will completely own the plant. It is the same story with Alcoa in aluminum and the monopolistic copper companies. Companies are not even required to prove that the new plants are necessary for defense.

Two major Senate committees are investigating current abuses. Meanwhile, $11.5 billion worth of additional applications for amortization are pending. Hearings before the Congressional Joint Economic Committee have uncovered the fact that Gibson's organization is issuing amortization certificates subsidizing three-fourths or more of the cost of plants which were either planned or begun before the outbreak of the Korean conflict and which will have permanent not just emergency usefulness.

The immediate effect is to deprive the government of tax revenue at the very time when the tax burden is heaviest, transferring corporation tax payments to later years when the rates of taxation are likely to be much lower. Assuming continuance of the present tax rate and of the high average percentage of amortization applications being granted, the loss over the next five years in tax revenue will be over $1.5 billion. Secretary of the Interior Oscar Chapman, who is protesting the abuse being made of the system, estimates that if all the pending applications were certified with the same ratio of denials as in the past, the loss would amount to $5 billion, and if the total government investment in facilities should climb to $30 billion, the loss to the government would approximate $13 billion.

National Production Authority

The NPA decides how our resources and materials are to be divided to achieve maximum production for defense. The policies that have evolved through the 20 industry divisions of the NPA, each headed by a man from the industry concerned, have made it almost impossible for hundreds of small businesses to stay in operation. "Thousands of small manufacturing establishments are today facing extinction," the Senate Committee on Small Business reports. "The reason is clear. Materials are the oxygen of production. But the flow of many essential materials to small plants has been all but choked off."

The Senate committee is being flooded with letters like this one: "The situation is critical. . . . We have been forced to close our plant. . . . During the last quarter of 1950, we were unable to obtain any steel whatever." Over and over, witnesses before the committee have charged: "The NPA sentences our business to death, but won't tell us why." Small businessmen are asking why the automobile industry is being allowed to produce cars at the rate of 10 million this year, 25 percent more than the record year of 1950, while they are denied enough scarce materials for existence.

The way in which the big business-minded men who are running the NPA decided to allocate our supply of aluminum is an example of the damage being done. Faced with the need for more aluminum for defense needs, the NPA picked the easy way of cutting off production of 75 percent of the aluminum fabricators who use only five percent of the aluminum supply. Under the Aluminum Allocation Order some 200 items will be prohibited from being manufactured after May 31; as a result 14,000 small aluminum fabricators will be forced out of business.

When protests began to roll in from the 14,000 he had sentenced to death, Nigel Bell, the manufacturer who heads the NPA Light Metals Division, began a belated investigation of how much aluminum was going into export. He quickly discovered that two-thirds more than the export quota had been allowed to go out in the first quarter of last year. One fabricator in New York found that the aluminum he was buying at fantastic prices was originally sent out of Kansas to England and reshipped to Kansas to be sold on the gray market.

The plight of the small user of steel is described by the president of a Midwest electrical appliance company: "Much of the steel has been bought through warehouses and special channels at prices 200 and 300 percent above mill price schedules. It was a case of either paying these rates or going without." Gray market prices are so completely beyond the means of most small companies that they are going without—and going out of business.

Faulty mobilization planning by the businessmen in the NPA is the basic cause of the shortage of materials for small plants. The already high rate of production of the industrial giants continued to increase after the outbreak in Korea. More homes were built, more automobiles manufactured (eight million), more radio and television sets produced (22.4 million), more refrigerators and vacuum cleaners sold (20 million) than in any previous year of our history. With the Munitions Board wildly speeding stockpiling which should have been done gradually since 1947, the lack of a Controlled

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20 Men on the Potomac

Key to Defense Agencies

DPA—Defense Production Administration

ESA—Economic Stabilization Agency

NPA—National Production Authority

ODM—Office of Defense Mobilization

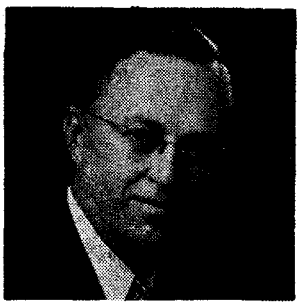
OPS—Office of Price Stabilization

WSB—Wage Stabilization Board

ERIC JOHNSTON

Administrator, ESA

On leave, Motion Picture Producers of America, Inc. . . . The Great Compromiser of 1951. . . .



BRUCE K. BROWN

Deputy Administrator, Petroleum Administration for Defense

President, Pan Am Petroleum Co. . . . $5.5 million to write off a tax bill. . . .

JOHN C. MYLREA

Director, Forest Products Division, OPS

Heads five wood-products firms. . . . can't see the consumer because of the trees. . . .

CLIFFORD B. McMANUS

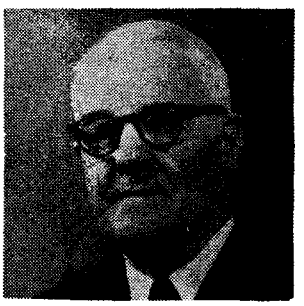
Administrator, Defense Electric Power Administration

President, Georgia Power Co. . . . can't see TVA or REA, but good enough for federal defense power.

RICHARD L. BOWDITCH

Director, Transportation, Public Utilities, Fuel, Services Division, OPS

Director, Boston and Maine RR, Sprague Steamship Co. and others . . . business man sets prices for business. . . .



CHARLES W. CONNOR

Administrator, Defense Solid Fuels Administration

Formerly in charge of mining operations for Armco steel. . . . newcomer to the government, old hand at steel. . . .

CORNELIUS W. MIDDLETON

Vice-chairman Munitions Board

Director, Babcock and Wilcox Co. . . . the boiler maker—power in the power house. . . .

JOSEPH S. BATES

Director, Chemical Division, NPA

President, Ciba Pharmaceutical Products of Summit, New Jersey. . . . pledge allegiance to international chemical cartel and US defense. . . .

ROSCOE SEYBOLD

Vice-chairman, Munitions Board

Retired Vice-president, Westinghouse Electric. . . . private interest—public stockpiler. . . .

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SIDNEY J. WEINBERG

Top Wilson Assistant in ODM

Washington's Number One business politician . . . procurer of dollar-a-year men in World War II and now . . . partner of Goldman and Sachs which interlocks with corporations of most men pictured on this page . . . firm on trial charged by government for unlawful restraints and monopolies in business . . . director of 13 other major business enterprises including Continental Can, General Electric and General Foods.

CHARLES E. WILSON

Director, Office of Defense Mobilization

Formerly President, General Electric . . . "Yes, I'm a big business man, and I'm proud of it. . . ."

WILLIAM H. HARRISON

Administrator, DPA

Former President, International Telephone and Telegraph . . . he keeps house, knows the setup. . . .

GENERAL LUCIUS D. CLAY

Top Consultant, Special Assistant to Wilson

Chairman of the Board, Continental Can . . . he still generals manpower plus Continental Can and Newmont Mining. . . .

EDWIN T. GIBSON

Deputy Administrator for Staff Services, DPA

Vice-president and Director of General Foods . . . decides corporation tax relief and expansion aid. . . .

FRED SEARLS

Assistant to Director for Materials, ODM

President, Newmont Mining Co. . . . heavy on copper investments; light on copper production. . . .

MELVIN W. COLE

Director, Iron and Steel Division, NPA

Assistant General Manager, Western Sales Division, Bethlehem Steel. . . . man behind the man. . . .

ROBERT A. LOVETT

Deputy Secretary, Department of Defense

Partner, Brown Brothers and Harriman . . . the investment banker who bosses the Department of Defense. . . .

LELAND B. SPENCER

Director, Rubber Division, NPA

23 years with Goodyear, number one company in rubber. . . . now Vice-president, Kelly-Springfield. . . . had worked with Clay before. . . .

JOHN D. SMALL

Chairman, Munitions Board

Vice-president, Emerson Radio. . . . he heads a power house. . . .

MARSHALL M. SMITH

Director, Machinery Division, NPA

Vice-president, E. W. Bliss Machine Tool Co. . . . machinery to mobilize. . . .

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Materials Plan for equitable distribution of scarce materials has been disastrous.

It is not surprising that the men at the controls in the NPA have not made equitable distribution their first principle.

Joseph S. Bates, head of the Chemical Division of the NPA, is president of Ciba Pharmaceutical Products of Summit, New Jersey, a subsidiary of the Ciba Society of Chemical Industry of Basle, Switzerland, one of the world's major chemical cartels. The record of his company has been one of loyalty to the cartel above all else. The protection of bigness would be second nature to Bates.

Marshall Smith, vice-president of a major machine tool company, E. W. Bliss, is now the allocator of the nation's machine tools, the basic equipment for all defense production.

Leland B. Spencer was for 23 years in the Goodyear Tire and Rubber Company, number one manufacturer of rubber products in the US, and is now vice-president of the Kelly Springfield Tire Company, a Goodyear subsidiary. Goodyear granted him leave in 1947 to go to Berlin to assist General Clay with the notably unsuccessful decartelization program. Now Spencer heads the Rubber Division in the NPA and is running it in a way the big four companies in the rubber business thoroughly approve. When Spencer arrived in Washington, Earl Glenn who was in charge of that office had plans for rubber allocation designed to give all companies enough material to assure each a fair share of production. Spencer put a quick stop to that. Glenn was removed, and the little man's case was dropped. The Senate Small Business Committee is looking into Glenn's abrupt departure.

Melvin W. Cole, as head of the Iron and Steel Division of the NPA, is responsible for channeling the supplies of these most basic materials of defense. Cole comes to this job from the Bethlehem Steel Corporation, second largest of the 82 US Steel manufacturing companies and a major gainer in amortization tax write-offs with a total of over $54.7 million in certificates of necessity granted.

Department of the Interior

Nowhere is industry self-regulation more complete than in the defense agencies within the Department headed by the leading New Dealer of the Truman cabinet, Oscar L. Chapman. Obviously the job of mobilizing our resources industries to produce for defense requires the experience of men from those industries, not necessarily at the head of government operations but in important positions. Chapman, however, gave industry the whole job. He picked Defense Administrators from industry for each resource field and delegated to these men all the various powers held by the Secretary of the Interior regarding petroleum, electric power, solid fuels, metals and minerals.

Nevertheless, Mobilizer Wilson has elaborately contrived to hem Chapman in with respect to his defense functions by requiring him to work through the NPA rather than reporting directly to the President. Chapman believes that only by making industry men themselves responsible for planning the necessary programs for expansion can he accomplish what is necessary; he is hoping to make up for his abdication to them by keeping a wary eye on all four of his new businessmen-assistants all the time.

Clifford B. McManus, president of the Georgia Power Company, second largest subsidiary of the giant Commonwealth and Southern utility holding company, and a long-time foe of the TVA and the Rural Electrification Administration, is Defense Power Administrator. Since he took office, supporters of the REA report that it has been a constant battle to get a fair share of critical materials for co-operatives. The REA has been authorized to allocate material among the different co-ops during the past three months, but after July 1, Secretary Chapman has ordered that the REA co-ops must individually apply to the Defense Power Administration for their materials. This will make McManus the final authority, and McManus has already announced that he will reject every REA application where a private power company can supply the service.

Bruce K. Brown, as Petroleum Administrator for Defense, among other things, reviews and makes recommendations on applications for expansion loans and certificates of necessity for tax amortization. He has put through a general standard of 90-percent amortization allowances for the oil industry. The company of which he is president, the Pan Am Petroleum Company of the tideland state of Louisiana, linked to Standard Oil of Indiana, itself has been given a $5.5 million write-off on its tax bill since Brown came to Washington.

Charles W. Connor, for years in charge of coal-mining operations for the eighth largest American steel company, Armco Steel, is now the man who as Defense

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Solid Fuels Administrator will make government policy on what new fuel sources are to be developed and by how much. Armco, too, has recently received a generous certificate for accelerated tax amortization to expand its operations.

Economic Stabilization Agency

Big business is not against inflation, but for personal reasons, Eric Johnston, Wilson's cabinet member on stabilization, may be. Johnston's political ambitions rather than his financial interests seem to have propelled him into the mobilization circle. Therefore, his technique is to favor compromises and to please as many people as possible.

Johnston's recent efforts to solve the dispute in his broken Wage Stabilization Board indicate that he does not share the mental rigidity demonstrated by most of the 20 men on the Potomac. Johnston represents a semi-liberal wing of American business, and when he was elected president of the US Chamber of Commerce, his statements that unions were good things shocked most of his old guard. On leave from the Motion Picture Association of America, Incorporated, Johnston is also a director of United Airlines and the Bank of America, as well as of a number of small West Coast firms.

In the government, Johnston seems to be trying to establish his independence of Wilson, Weinberg and company, so that when the time comes, he will be considered available to succeed to Wilson's throne.

Office of Price Stabilization

Business is setting its own prices. Michael DiSalle, the smart Ohio politician who has the front desk at the OPS, is the prisoner of an impossible price-control act that defies administration and of policies that have stimulated inflation made above his head in the defense structure.

Almost all of the division heads in the OPS come from the industries they are supposed to regulate. This was also true in the former Office of Price Administration, but in the OPA days, the White House and a series of intermediate watchdogs were always alert to keep the industry men in line. Today, unfortunately, the watchdogs are gone.

In collective bargaining sessions, the unions are hearing from employers that although their companies enjoyed top profits in 1950 and anticipate as good or better financial health during the first half of this year, conditions appear so uncertain after June that the "wage relief" labor is asking is out of the question. On the same ground, these employers are asking the OPS for "price relief." In charge of handing out the "price relief" are men like:

Richard L. Bowditch, director of the Transportation, Public Utilities, Fuel and Services Division of the OPS. He is an officer or director of eight major businesses, including the Boston and Maine Railroad.

John D. Mylrea, a high officer in three large paper and box firms, is the man to whom as head of the Forest Products Division, manufacturers of newsprint and other paper products appeal for price relief.

Joseph Kallick, former merchandising manager for the large Midwest chain of Spiegel Stores, is the OPS expert at the head of the Consumers Soft-Goods Division. The branch heads under Kallick come from the Full-Fashioned Hosiery Mills, Manhattan Shirts, the International Shoe Company and Hearn's Department Store of New York.

How the OPS operates against inflation is revealed in the story of the recent increase in the price of wool. On January 26, the price of wool was frozen. That very day the wool companies stopped bidding on military contracts. On February 6, industry representatives warned the OPS that "military contracts would go begging" unless price ceilings on finished fabrics were raised. On February 15, the industry-dominated Munitions Board asked the OPS to "lift its entire General Price Regulation as applied to military goods until some of the more pressing current contracts have been placed." The Board had not been able to get a satisfactory bid on Air Force blue serge. On February 16, the OPS acceded to the Munitions Board's request.

Munitions Board

The Munitions Board, under the Department of Defense, has the vital responsibility of co-ordinating and unifying the procurement and production programs of the three military services, fitting them into the civilian economy. These military procurement decisions are in sturdy business hands. Men who may not be willing to take time off from their businesses to serve as dollar-a-year men can become $50-a-month advisers on Munitions Board industry committees. In one day a month, they set the policies to be followed by the Board in the remaining 29 when they are leading their normal Wall Street lives. Twenty-five of these industry advisory committees, with 47 subcommittees, employ about 750 leaders of industry in this way. No repre-

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sentatives of consumers, labor, or the farmers have been asked to lend their aid.

Robert A. Lovett, the investment banker who is Deputy Secretary of the Department of Defense, is the top authority over the Board. He is a partner in the major investment house of Brown Brothers-Harriman and an officer and director of many corporations and railroads, including the Union Pacific.

John D. Small, former vice-president of Emerson Radio, as chairman of the Board is in a position of tremendous industrial power.

Cornelius W. Middleton, vice-chairman in charge of production and requirements, however, is the key figure. His major business is in the Babcock-Wilcox Company, one of the largest fabricated metal producers in the country, specializing in boilers and equipment for power plants; it is linked closely to Republic Steel, US Steel, Otis Elevator and General Electric among other large corporations.

One of Middleton's major responsibilities in Washington is to review production schedules "to determine whether the production base has been broadened as far as economically feasible," whether contracts are properly spread throughout the economy and to recommend necessary changes. During Middleton's tenure, however, "small business has had the procurement door slammed in its face," as Hubert Humphrey (D, Minn.) recently stated on the floor of the Senate. "Even in normal times it is extremely difficult for firms which have never, or only to a limited extent, done business with the government to break into the select circle of contract award winners," Humphrey explained. "But until recently, at any rate, they had an outside chance because, all other factors being equal, contracts are usually awarded to the low bidder, when such procurements are conducted on a formal, advertised basis."

Now, however, the latest figures show that 97 percent of military buying is being conducted on a negotiated basis; only three percent is open, competitive bidding. "Not only are small companies virtually excluded from submitting quotations on this vast bulk of negotiated contracts," Senator Humphrey said, "in the majority of instances they don't even hear about them. Meanwhile, a relative handful of the larger companies are being handed multi-million-dollar contracts in such large amounts that even our industrial giants are backlogged for from six to 18 months. The Department of Defense itself has stated that in 1950 only 14 percent of all negotiated contracts went to small business."

Secretary of Defense George Marshall has laudably directed the Secretaries serving under him to make maximum use of the facilities of small business. But it is Middleton and the big businessmen advising him who make the day-to-day decisions, and they are not obeying General Marshall. Their policy of eliminating competitive bidding is not only starving small business, it is running up the cost of the defense program fantastically.

The big switch by the Defense Department from advertising to negotiated bids occurred during January and February of 1951. The Senate Committee on Small Business has compiled the facts about the cost of contracts let under the two different systems in these two months. The government paid $28,000 for 1,000 floodlights bought on a negotiated bid and $5,800 for a comparable number of floodlights obtained through an advertised bid. When the government changed over to buying sandbags on a negotiated basis, the price of sandbags became 30 cents apiece; under advertised bidding the price had been 13 cents. Thirty four-wheel trailers cost the government $3,333.33 each (negotiated) and $750.50 (advertised)—a difference of 338.31 percent.

The Senate Committee found that the government is paying on an average of 42 percent more for goods purchased under the negotiated bid system laid down by Middleton and the Munitions Board.

A further evil to which the negotiated bidding policy is open is illustrated by a case on record in the private files of the Senate Small Business Committee. Two Navy admirals assigned to draw up plans for Navy electronic equipment for aircraft resigned from the service just before the contract for this equipment was let. The two admirals immediately became executives of the Radio Corporation of America. And RCA got the contract for which the former admirals had drawn up the specifications. Sen. John Sparkman (D, Ala.), referring to this incident, has remarked that, "Much of this sort of thing might not happen if bidding were on an open basis rather than closed, secret, negotiated deals."

Roscoe Seybold has the job of building up the national stockpile of scarce materials to fill our future military and civilian needs. Lack of co-ordination of stockpile buying with the allocation of materials for production is a major cause of small business casualties.

As the former vice-president of Westinghouse Electric, Seybold is well-acquainted with Wilson of General Electric. In 1949, both companies were found guilty of having monopolized the incandescent lamp industry. Seybold's company is tied through Westinghouse with four primary steel producers, AT&T and Kennecott Copper.

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III. BIG BUSINESS UNSTABILIZES

SINCE the management and control of the mobilization effort is concentrated so largely in the hands of big business representatives, let's examine the inventory, price and profit policies of the companies with which they are connected, for reasons behind the failure of our efforts at economic stabilization thus far.

Of course, the sole responsibility for inflation, since Korea, cannot be attributed to big business. Congress is to blame for inequitable and inadequate control legislation which permits rising farm prices, higher rents and unlimited commodity speculation, as well as for tardy and inadequate action of taxes. The Administration and its appointees are to blame for inflationary credit policies, delays in setting up the price-control machinery, political timidity with respect to farm prices and inequitable price-wage-profit-tax policies. And consumers are to blame for large-scale anticipatory buying. However, the role of big business in the inflation, since Korea, has been central and of major importance. Big business has contributed to inflation in recent months chiefly by:

1. Large-scale anticipatory buying and inventory accumulation to forestall shortages and higher prices;

2. Product price increases far in excess of those warranted by increases in costs, so that expected price controls and higher taxes would not interfere with continued increases in net profits; and

3. Large increases in profits, which have in themselves had a cumulative influence in further inflation, since they have financed larger dividend payments, further inventory accumulation and frequently unnecessary investment.

From June, 1950, to January, 1951, business inventories increased 17 percent from $54.2 billion to $63.4 billion, a rise of $9.2 billion. Manufacturers' inventories rose 16 percent from $30 billion to $34.9 billion. Retailers' inventories rose 18 percent from $14.7 billion to $17.4 billion. Department-store inventories rose 23 percent from an index of 276 to one of 339.

Wholesale prices, during the same period, were raised 14 percent. Prices of finished products were raised 13 percent and of semi-manufactured products, 25 percent. In specific industries, textile products were raised 30 percent; chemicals, 18 percent; hides and leather products, 29 percent; rubber products, 24 percent; iron and steel, 10 percent; paper and pulp, 26 percent.

The role of big banking in the inflationary process is indicated by the reduction in bank holdings of US securities during the same period from $65.8 billion to $60 billion and by the increase in bank loans from $44.8 billion to $52.9 billion.

Meanwhile, corporate profits increased from the first quarter to the fourth quarter of 1950, at annual rates, from $29.2 billion to $48 billion, a rise of 64 percent. On an after-taxes basis, at annual rates, the rise was from $16 billion to $26.7 billion, an increase of 67 percent. Dividend payments, at annual rates, rose from $8.1 billion to $11.5 billion, an increase of 42 percent. Undivided profits, available for investment in plant, equipment and inventories, rose from $7.9 billion to $15.2 billion, or 92 percent.

These huge and inflationary profit increases were due only in part to increases in volume and productivity. They were due in much larger degree to price increases and higher profit margins. For example, the sales of manufacturing corporations increased from $38.5 billion to $48.6 billion between the first and third quarters of 1950—a rise of 26 percent. Profits, however, rose from $3.9 billion to $6.6 billion, a rise of 69 percent. And even after taxes, retained profits rose from $2.4 billion to $3.7 billion, an increase of 54 percent. Profits margins on each dollar of sales rose from 10.1 cents to 13.5 cents, an increase of 34 percent.

The profitability of the various manufacturing industries is disclosed in the table below, which shows the phenomenal increases in the return on stockholders' investment which occurred from the first to the third quarters of 1950.

ANNUAL RATES OF RETURN ON STOCKHOLDERS' EQUITY
FIRST AND THIRD QUARTERS, 1950

	Before Federal Taxes			*After Federal Taxes*		
	1st Q	*3rd Q*	*Percent Increase*	*1st Q*	*3rd Q*	*Percent Increase*
All manufacturing corporations	19.6	31.2	59	12.0	17.6	47
Motor vehicles	39 2	58.8	50	22.8	28.8	26
Electrical machinery	29.2	41.2	41	13.2	22.0	67
Fabricated metal products	18.4	34.0	85	11.2	19.2	71
Textile-mill products	18.0	26.0	44	10.8	14:4	33
Apparel and finished textiles	11.6	26.4	128	6.4	16.4	156
Food products	15.6	28.8	85	9.2	16.4	78
Furniture and fixtures	15.6	29.2	87	8.4	16.0	90
Chemicals and allied products	25.2	36.4	44	15.6	20.8	33
Stone, clay and glass products	20.4	39.2	92	12.4	22.0	77

Such over-all figures, however revealing, cannot compete with the drama implicit in the experience of individual companies—particularly those represented in key

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THE SCORE ON THE MOBILIZERS' COMPANIES

ALL DOLLAR FIGURES IN MILLIONS

Company	1949	1950			Percent increase	
		Total	1st half	2nd half	1949 to 1950	1st half 1950 to 2nd half
ARMCO STEEL						
Sales	341.4	439.3	204.8	234.5	28.7	14.5
Profits before federal taxes	50.2	95.2	42.0	53.1	89.6	26.4
Profits after federal taxes	30.9	47.0	25.7	21.3	52.1	−17.1
Inventories (end year)	70.5	92.0	—	—	30.5	—
Profits before federal taxes as a percent of sales	14.7	21.7	20.5	22.6	14.8	10.2
Profits after federal taxes as a percent of net worth	16.7	23.8	—	—	42.5	—
BETHLEHEM STEEL						
Sales	1,266.8	1,439.8	670.9	768.9	13.7	14.6
Profits before federal taxes	165.8	245.0	99.8	145.2	47.8	45.5
Profits after federal taxes	99.3	123.0	57.2	65.8	23.9	15.0
Inventories (end year)	189.2	214.5	—	—	13.4	—
Profits before federal taxes as a percent of sales	13.1	17.0	14.9	18.9	29.8	26.8
Profits after federal taxes as a percent of net worth	15.4	16.8	—	—	9.1	—
E. W. BLISS CO.						
Sales	20.6	21.6	9.6	12.0	4.8	25.0
Profits before federal taxes	.9	1.8	.8	1.0	100.0	25.0
Profits after taxes	.7	1.4	.6	.8	100.0	33.3
Inventories (end year)	4.6	6.0	—	—	30.4	—
Profits before federal taxes as a percent of sales	4.4	8.3	8.3	8.3	88.6	—
Profits after federal taxes as a percent of net worth	5.5	11.0	—	—	100.0	—
GOODYEAR RUBBER						
Sales	635.5	845.1	344.9	500.2	33.3	45.0
Profits before federal taxes	30.8	71.4	23.4	48.0	131.8	105.1
Profits after federal taxes	20.2	35.1	11.9	23.2	73.8	95.0
Inventories (end year)	139.1	168.4	—	—	21.1	—
Profits before federal taxes as a percent of sales	4.8	8.4	6.8	9.6	75.0	41.2
Profits after federal taxes as a percent of net worth	9.7	16.4	—	—	69.1	—

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THE SCORE ON THE MOBILIZERS' COMPANIES

ALL DOLLAR FIGURES IN MILLIONS

Company	1949	1950			Percent increase	
		Total	1st half	2nd half	1949 to 1950	1st half 1950 to 2nd half
GENERAL ELECTRIC						
Sales	1,613.6	1,960.4	881.1	1,079.3	21.5	22.5
Profits before federal taxes	203.6	370.4	136.9	233.5	81.9	70.6
Profits after federal taxes	125.6	173.4	77.4	96.0	38.1	24.0
Inventories (end year)	300.1	338.8	—	—	12.9	—
Profits before federal taxes as a percent of sales	12.6	18.9	15.5	21.6	50.0	39.4
Profits after federal taxes as a percent of net worth	22.5	28.1	—	—	24.9	—
CONTINENTAL CAN						
Sales	335.8	397.9	162.1	235.8	18.5	45.5
Profits before federal taxes	19.4	26.2	—	—	35.1	—
Profits after federal taxes	12.1	14.9	—	—	23.1	—
Inventories (end year)	55.8	30.2	—	—	−45.9	—
Profits before federal taxes as a percent of sales	5.8	6.6	—	—	13.8	—
Profits after federal taxes as a percent of net worth	8.3	9.8	—	—	18.1	—
KENNECOTT COPPER						
Sales	246.4	396.9	174.3	222.6	61.1	27.7
Profits before federal taxes	72.4	146.9	54.9	92.0	102.9	67.6
Profits after federal taxes	48.1	88.1	37.7	50.4	83.2	33.7
Inventories (end year)	47.9	44.5	—	—	−7.1	—
Profits before federal taxes as a percent of sales	29.4	37.0	31.5	41.3	25.9	31.1
Profits after federal taxes as a percent of net worth	9.7	17.5	—	—	80.4	—
STANDARD OIL (Indiana)						
Sales	1,158.1	1,303.0	602.9	700.1	12.5	16.1
Profits before federal taxes	133.7	177.7	71.8	105.9	32.9	47.5
Profits after federal taxes	102.7	123.6	52.5	71.1	20.4	35.4
Inventories (end year)	149.3	160.8	—	—	7.7	—
Profits before federal taxes as a percent of sales	11.6	13.6	11.9	15.1	17.2	26.9
Profits after federal taxes as a percent of net worth	10.1	11.4	—	—	12.9	—

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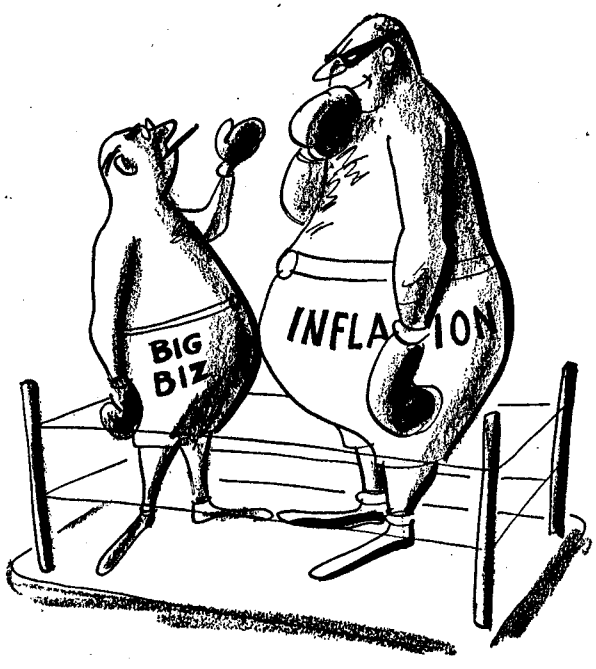
positions in the mobilization effort. The inventory, price and profit behavior of these companies are most illuminating as indications of the kind of mobilization and stabilization policies which may be expected of their Washington "missionaries." We can select for intensive scrutiny no better example than the General Electric Company—giant of the crucial electrical industry, directed throughout 1950 by the same Charles E. Wilson who is today the Director of Mobilization.

From 1949 to 1950, General Electric sales increased from $1.61 billion to $1.96 billion, a rise of 21.5 percent. At the same time, profits before federal taxes increased from $203.6 million to $370.4 million, a rise of 82 percent. Profits after federal taxes increased from $125.6 million to $173.4 million, a rise of 38 percent. Profit margins on each dollar of sales rose from 12.6 cents to 18.9 cents before taxes—an increase of 50 percent. Dividends per share rose from $2 to $3.80, or 90 percent. Profits after taxes in relation to payrolls rose from 20.7 percent to 25.5 percent. Profits after taxes in relation to net worth rose from 22.5 percent to 28.1 percent. Profits per employee rose from $1,136 to $2,015 before taxes, and from $700 to $943 after taxes, representing increases of 77 and 35 percent, respectively. Inventories after reserves rose from $300 million to $339 million, an increase of 13 percent.

Even more significant is the comparison of General Electric's operating experience during 1950, before and after Korea. From the first half to the second half of 1950, GE's sales increased from $881 million to $1.1 billion, a rise of 22.5 percent. Average price increases of about 8 percent during the year caused profit margins per dollar of sales to increase from 15.5 cents in the first half to 21.6 cents in the second half of 1950, a rise of almost 40 percent. In consequence, profits before federal taxes rose from $136.9 million to $233.5 million, an increase of 70.6 percent. Profits after sharply increased federal taxes still rose from $77.4 million to $96 million, an increase of 24 percent. Profits after taxes in relation to the company's net worth increased from 25.1 percent to 30.1 percent from the first to the second half of 1950.



It would be exceedingly interesting to hear Mobilizer Wilson's explanation of President Wilson's conduct of the affairs of the General Electric Company in 1950, in relation to this country's over-all mobilization-stabilization objectives. How does he explain the lack of restraint involved in adding some $40 million worth of inventories—comprised chiefly of scarce copper and sheet steel—during 1950? How does he explain the unnecessary price increases of some eight percent during the year, which swelled GE's profits to previously undreamed-of heights? How does he explain the increase in profit margins per dollar of sales from 12.6 cents in 1949 to 18.9 cents in 1950; or from 15.5 cents in the first half to 21.6 cents in the second half of 1950? Does he not realize that if General Electric had exercised self-restraint on prices after Korea and been content with an already fat average-profit margin of 15.5 cents per dollar of sales, as in the first half of the year, GE profits after taxes would still have been close to $150 million for the year, some 20 percent higher than the record-breaking $126 million earned in 1949? What is Mobilizer Wilson's 1951 explanation of President Wilson's 1950 management of General Electric Company? More important, in view of the record, is the question "What kind of economic stabilization can the country expect from Mobilizer (ex-GE President) Charles E. Wilson?"

That Mobilizer Wilson is not unique, in terms of the policies of the company from which he comes, is shown very clearly in the accompanying table affording highly significant data on the companies with which our key mobilizers are associated. The gentlemen concerned may well be requested to answer the same questions already propounded to Mr. Wilson.

If there is any lesson to be learned from our analysis of big business' responsibility for inflation, surely it is that big business managers have neither the training nor the outlook which would qualify them to develop and administer economic stabilization policies, or even production policies designed to assist in economic stabilization. They should therefore not be surprised if organized labor, farm groups and consumers generally lack confidence in the present mobilization set-up.

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IV. SENATOR TRUMAN WAS RIGHT

THE REPUBLICAN businessmen in the defense mobilization structure, by their handling of the necessary task of building up our defenses, have accelerated the concentration of industry in a few hands, forced a lower standard of living on a large group of the population, and weakened the faith of the people in their government in the process. Their pervasive influence must be curbed.

In all periods of high profits, mergers and consolidations in industry have greatly increased. The advance toward dominance of the economy by giant companies held steady from the depression through World War II. The trend continued dangerous between 1945 and 1950. But now the monopoly of the defense program by the large interests threatens to move the country toward full concentration as regards production of basic items.

Inflation, aggravated by the businessmen in government, undermines yet another corner of the economic structure. The soaring cost of military supplies and equipment is running up new government expenses which the average citizen will have to bear.

The failure of the mobilizers to carry through on programs to expand our capacity to produce will limit what America can turn out for herself and the free world for the next 10 years. Because some of the men in power have desired to discourage competition more than they have wanted to push expansion, the United States will be short of every basic material of industry for years to come. Our ability to produce will be checked because the mobilizers have not increased our capacity for supplying manufacturers with aluminum, copper, rubber, lead, zinc, nickel and steel.

Surely any illusions which the President or others in his Administration may have had about the public-spiritedness or the extraordinary abilities of big businessmen to run government must now have been shattered. Clearly business could not keep its end of the blackmail deal Wilson forced upon Truman when he named his price for becoming director of defense. The record is too clear to deny.

The indictment is severe, and the remedy must be drastic. New faces and new policies are required. Most of the 20 men on whom we have turned the spotlight should be replaced. The groups which are now almost unrepresented in top positions in the government—labor, the farmers and consumers—should be brought into active participation.

Organized labor has done a national service in recent weeks in focussing public attention on the mismanagement of mobilization in Washington. There are signs that labor's criticisms are having effect. There is encouraging evidence that President Truman is growing aware of the damage his defense appointees have done and is preparing to resume his proper position as chief executive which lately seemed to have been taken over by Wilson and company.

The recent resignations of General Clay and Fred Searls from Wilson's top staff are good news indeed. Although Clay, at least, will surely continue to influence ODM policy, the removal of these two men can probably be interpreted as a concession to the recent attacks on them. The degree of encouragement these resignations warrant, however, will have to be judged by whether the advice which these men have been giving is followed in the future.

The fact that the President has persuaded organized labor to serve on a new mobilization advisory board is highly encouraging. This means that the new board will have really broad representation. The fact that it will meet regularly with the President himself indicates that Wilson personally may have lost standing and holds out hope that truly fundamental changes in organization may follow.

Talk is drifting out of Johnston's ESA office about including a curb on profits in the request for new price legislation. If this talk is serious, business may decide to adopt greater restraint in raising prices any further, particularly since Congress is now beginning what will doubtless prove to be embarrassing investigations into tax windfalls and other defense grabs by industry.

In 1942, the Truman committee's investigation of the World War II production program produced an admirable Senate report on what was wrong with the war agencies: "The best of organizations will not work with unsympathetic or incompetent personnel. . . . Work . . . has been hampered by the extent to which personnel was predominantly drawn from the big business groups.

"Many of the large industrialists are, of course, men of unquestioned capacity; the associations which these men have acquired through the years, however, make it undesirable to rely upon them exclusively for the direction of the war production program. This committee is of the opinion that there exists in this country today administrative resources which have not yet been adequately tapped by the War Production Board," the report concluded.

Senator Truman was right.

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BOOKS IN REVIEW

DREISER AND THE AMERICAN TRAGEDY

by Gerald W. Johnson

GREAT JOVE himself could not make love to two goddesses simultaneously without becoming just a bit comic. If for goddesses you substitute women, or two inconsistent ideas, it applies even more strongly to men. This mournful truth does not abash a merry-andrew, aware of his status as a forked radish in an essentially comic world, but it is ruinous to a solemn fellow with a mission.

Two new books on Theodore Dreiser, one extraordinarily able, the other extraordinarily revealing, combine to emphasize this lesson. Dreiser's formidable stature as a novelist was recognized long ago by all intelligent people; for years the question about his size has been, Why is it only monumental and not mountainous? The late F. O. Matthiessen and Mrs. Dreiser between them offer—unwittingly, in her case, implicitly in his—an adequate answer. A sardonic God, fate, or, as he would have said, "chemism," had made him herculean and then hamstrung him by denying him humor.

THEODORE DREISER, by F. O. Matthiessen (William Sloane Associates; $3.50).

MY LIFE WITH DREISER, by Helen Dreiser (World; $3.75).

Matthiessen's book, an addition to the "American Men of Letters" series, is likely to stand as a model of succinct biographical writing. He handles Dreiser, not as Boswell handled Johnson, but as Voltaire dealt with Charles XII. Pedants, to be sure, have accused Voltaire of writing fiction, but not even pedantry can deny that it is a brilliant and satisfying picture within small compass. So is Matthiessen's *Dreiser*. In fewer than 300 pages he gives us an account, comprehensible, comprehensive and plausible, first, of why Dreiser was great and, by implication, of why he was not greater.

This would be a considerable achievement in any case, but in view of the mass and the amorphousness of Dreiser's work, it is a startling achievement. The critical analysis, composing the bulk of the book, is in Matthiessen's best style, which is to say, shrewd, penetrating and just, although appreciative; but more remarkable is the biographical material, brief, but long enough to make Dreiser credible.

The drawing of this portrait involved the resolution of some of the most astounding dissonances in American literary history. Dreiser's story is a bundle of contradictions. To start with the basic one, he became a great novelist without ever learning how to write; to continue with minor ones, he was a highly moralistic Don Juan; after starving for years, he produced a great novel which was suppressed by the Comstocks, and the author blew his top—actually started out to drown himself—but, having gone crazy, he promptly became a successful and highly paid editor of slick-paper magazines; then, tiring of opulent prostitution after some years, he reverted to honesty with no apparent impairment of his intellectual integrity; and to end with, he almost achieved the miracle of becoming a Thomist and a Communist at the same moment. He did not accept quite all of the *Summa* nor quite all of *Das Kapital;* but he did go in for Marxism and mysticism, both in a big way.

Yet, believe it or not, if you read Matthiessen, you can see how all this came about. Hazlitt would have said that this Caesar lacked the slave to remind him in the midst of his triumph that he was bald—he could not see the comedy of it all. You can see, also, the fatality of waiting until you are sixty to pay any attention to "the minor matter of politics," for at that age you can hardly hope to understand, much less practise, that most difficult of all branches of dramaturgy. Dreiser tried it, and became absurd, he who had been shrewd when, as editor of the *Delineator*, he ordered an article on "When the Baby Has Diphtheria" and commissioned H. L. Mencken to write it.

At one point only does the professor of English threaten to overwhelm the philosopher in Matthiessen. In discussing *An American Tragedy*, he is scandalized by the abyss that yawns between Clyde Griffiths and King Oedipus, and expresses doubt that this is tragedy, or especially American. Yet by Matthiessen's own showing, Dreiser's point was that the American tragedy is that this *was* an American tragedy—that a vast nation can imagine no other *katharsis* than the spectacle of a paltry fellow breaking his neck in snatching at a paltry prize. Of course, Dreiser wandered off into the labyrinth of crime and punishment, to the great admiration of Clarence Darrow and to the obscuring of his main point.

Dreiser always wandered off into some obscurity; yet the point is there. It was sharp in 1925, but it is sharper in 1951, when cheap stuff is even more costly. Beyond the Iron Curtain the bells of hell go ting-a-ling-a-ling, but a quarter of our Senators seem to be more interested in putting all crap-shooters in jail, another quarter in how a Washington stenographer got her mink coat, and a third in proving that everybody who voted for Truman is a Communist. Dreiser saw that as tragic, and how right he was!

When he was approaching fifty Dreiser encountered the woman who was to be the most lasting feminine influence in his life, and whom he eventually married. Helen Dreiser's story of that relationship is a remarkable human document, for she was as intense and humorless as he, with the result that she tells many times as much as she has written.

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Unfortunately, the solemnity with which she describes the ludicrous heightens its effect, so that the ribald are likely to obtain vastly more entertainment from the book than they are entitled to. For it is, in fact, instructive, especially to all maids and widows who may be inclined to link their lives to that of a literary genius—probably any other kind of genius. It may not discourage them altogether, for it shows clearly that in life with such a man there is rarely a dull moment. If Helen had known how to laugh, her life with Dreiser might have been easier, but probably shorter.

Together, these volumes present a striking, three-dimensional picture of an extraordinary man. It is doubtful that any other figure in American literary history has been portrayed as vividly in as few pages. Matthiessen has certainly not said the final word in critical analysis of Dreiser, but he said enough for the ordinary reader; the rest is for professors of English and aspiring novelists. The book fills one with keen regret that this brilliant scholar's career is ended.

Gerald W. Johnson, newspaperman, historian and critic, is the author, among other books, of "Incredible Tale: The Odyssey of the Average American in the Last Half-Century."

THE RIGHT AND THE GOOD

THE MORAL LIFE AND THE ETHICAL LIFE, by Eliseo Vivas (University of Chicago Press; $6).

UNTHINKING MAN, when he acts rightly, does so by accident. Reflective man, unless he is guided by moral values, may seek to do good but is bound to commit evil. Since most men, in Eliseo Vivas' view, are neither moral nor reflective, Jeremiah's lament—"Cursed is every man that has hope in man"—epitomizes the tragedy of our age.

To transcend the human tragedy, Vivas argues, reflective man must discover and apply the principles of the moral and the ethical life. By the moral life Vivas means the life in which man seeks, through the most intelligent and efficient means possible, to bring to realization those things which he values. He is confronted by a moral perplexity in which he does not know what is the right thing to do, what he *ought* to do; and he searches for a solution favorable not to his idea of his actual moral personality but to his idea of the moral personality he would like, ideally, to be.

But at this level of moral experience there is no objective or external standard in terms of which a particular set of values may be justified. Vivas therefore turns to the ethical life, where he attempts to establish such an objective value standard. This consists of a hierarchy of values in which he distinguishes between the more and the less valuable and at the summit of which he places the value of spirit or personality. Through this kind of standard, Vivas believes, man is able to judge the legitimacy of various value claims and to resolve conflicts of values. Moreover, by emphasizing the primacy of the person, the ethical life denies an absolute superiority to any one person's claim and keeps open the process whereby men can discover the moral.

Vivas' attack on naturalistic philosophers like Dewey, Santayana, Charles Stevenson and others is thus both easy and difficult to understand. He observes correctly that naturalistic theories, lacking an objective criterion, are reduced, ultimately, to expediency or what Bertrand Russell frankly admitted was a matter of taste. But for Vivas to conclude from this that "might" then becomes the determinant of conflicting preferences is to seize, at best, upon a possible half-truth. When Dewey, for example, stresses the importance of democracy as method, he does so because he wants a system that will enable values to compete peacefully; he looks not for a solution but a *means* to a solution, a position not altogether inconsistent with Vivas' own argument for the openness of the moral process. The ensuing majority decision may indeed be interpreted as a matter of might (though I should prefer to rest it on the principle of consent), but the alternative to majority rule is minority rule, which is not less, and perhaps more, rooted in force. And if it is only force that prevails, what is the alternative to naturalistic theory that escapes it?

Vivas replies by invoking the posited hierarchy of "genuine" values to be found in the structure of reality—an order he assumes and hence does not, indeed cannot, prove. For if I ask how it is known that this hierarchy is valid *absolutely*, he falls back on intuition. Now the argument from intuition is beyond refutation, but since there are vast disagreements as to what intuition discloses, Vivas in effect assumes the very point to be established. Moreover, an anti-naturalism which leads to supernaturalism may end by impeding rather than furthering the humanistic values that he is most eager to secure.

Despite these strictures, Vivas' book emerges as the most significant contemporary attack on naturalistic theory. It is likely to become a storm center in the journals of philosophy, and if Vivas' frequent philippics are any guide, the debate promises to be heated as well as enlightening. DAVID SPITZ

David Spitz, assistant professor of Political Science at Ohio State University, is the author of "Patterns of Anti-Democratic Thought."

FROM A TO ZYMURGY

THORNDIKE-BARNHART COMPREHENSIVE DESK DICTIONARY. Edited by Clarence L. Barnhart (Doubleday; $2.75).

I SHOULDN'T like to say that Clarence Barnhart's new dictionary is chiefly remarkable for its price, since the book has many excellent features. Still, the price is low for a book of this size newly prepared from the beginning and printed from new plates. The *Thorndike-Barnhart Comprehensive Desk Dictionary* has 894 pages, containing more than 80,000 word entries (as compared with 132,000 entries in a larger book, the *American College Dictionary*, which Barnhart also edited). It has a long introduction that includes practical treatises on American English grammar, punctuation, copy-reading and letter writing. It costs $2.75 (or $3.25 if thumb-indexed, or $3.75 in a flexible binding)—in other words, about half as much as the *American College Dictionary* and less than half as much as *Webster's New Collegiate.*

TBCDD, to use the five initials, is good for its definitions, which are painstakingly simple. To choose a few at random, *scullion* is "servant who does the dirty, rough work in a kitchen." *Serrated* is "notched like the edge of a saw; toothed." *Acne* is "a skin disease

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in which the oil glands in the skin become clogged and inflamed, often causing pimples." Compare the last with *Webster's Collegiate*, which defines *acne* as "An affection of the skin due to inflammatory changes in the sebaceous glands, and characterized by small pustules, chiefly on the face." The second definition uses uncommon words like *sebaceous* and *pustules*, while omitting the familiar word, the unhappy word for adolescents—*pimples*.

Clarence Barnhart and his staff have tried to follow a good rule for lexicologists: wherever possible to make the definition simpler than the word that is being defined. They have also found, in most cases, the right phrases or sentences to illustrate the use of a word—for example, "*drive, n.* . . . 5. a special effort of a group for some purpose: *the town had a drive to get money for charity.*" When they deal with words that are often wrongly employed, the definition is likely to be followed by a "usage note" written by Professor Porter G. Perrin, who knows a lot about American usage. One of these notes—in which he protests against the various euphemisms for drunk and ends with the flat statement, "But *drunk* is the word"—has been quoted many times. I liked better his note on *linguistics*, because it explains his method:

> The outstanding trait of a linguist's approach to language is detachment—contrasting with the emotion often shown by non-professional users in defending or disapproving matters of speech. A linguist accepts such locutions as " I seen him yesterday," "He ain't got none," "That book is hern" as facts of the language—as well as words like *phagocyte* and *sternutation*. This does not mean that he uses any of these locutions himself or recommends them to others, but he notices that certain people use them and he observes and defines their place in the language.

The weakest feature of the new dictionary is its feeble effort to serve as a junior encyclopedia. It doesn't admit to itself the simple fact that there is no room for encyclopedic information in a dictionary of 80,000 entries. It tries to include places and persons, like a combined gazeteer and biographical dictionary; but it includes too few of either to serve any practical purpose (except of giving salesmen another talking point). Thus, it has entries like "*Washington* . . . 4. *George*, 1732-1739, commander in chief of the American army in the Revolutionary War and the first president of the United States, 1789-1798"; it has entries like "*Hemingway, Ernest*, born 1898, American novelist and short-story-writer"—which is all right except that the year of birth is 1899—and "*Chicago*, city in NE Illinois, on Lake Michigan; the second largest city in the United States"—as if Chicagoans had ever allowed us to forget it; but it omits almost all American cities with a population of less than 100,000; it omits Marshal Foch, Coriolanus, Aldous Huxley, William Faulkner and the Allegheny River. It would have been better to omit George Washington too, and Chicago, and use the space to give more information about the English language.

The treatment of proper names is a fault, but not a deadly fault or one that keeps Barnhart's new work from being the best of our small dictionaries. TBCDD won't take the place of larger reference books; but its size and simplicity and accuracy make it an ideal book for stenographers and students and businessmen, and for those millions of American households that can't afford an unabridged or a college dictionary.

MALCOLM COWLEY

LONELY GOOD SENSE

FAITH, PURPOSE, AND POWER, by James P. Warburg (Farrar, Straus; $2).

ALMOST SINGLE-HANDED, James P. Warburg has been trying to tell the American people that military alliances are not enough. His latest book, *Faith, Purpose, and Power*, is one of a long list of books, tracts and memoranda to make the point. It is a plea for a formula "to transform the United Nations into an organization capable of enforcing peace under law," and at the same time to make it "our declared aim to lead a common crusade toward the eradication of the social and economic causes of conflict."

Mr. Warburg outlines a program which he believes will accomplish both purposes. Unlike the believers in "The American Century," he has no faith in a Pax Americana. He rejects, of course, a Pax Sovietica. He is sympathetic, rather, toward the concept of the World Federalists—a world federalism, however, that does not outlaw the Soviet Union. To help solve the world economic problem, he wants an affirmative program of economic help that is not tied to Russian acceptance of specific American demands.

Whether Mr. Warburg is correct in his belief that such a program might bring the Soviet Union into a more cooperative attitude than it has shown thus far may be open to doubt. But there can be no question about his analysis of the reasons for the world's unrest:

> The failure to carry out land reforms, in spite of the added need for such reform created by nine million refugees from the East [he writes of Western Germany], the failure to break up or socialize the concentration of industrial power, and the failure to maintain some sort of social controls over the economy have recreated the rigid class society of "haves and have-nots" out of which aggressive German nationalism has grown in the past. As in 1918-19, a native German social revolution has been aborted and the traditional ruling cliques have been given another chance to climb back into power.

This is a clear statement of precisely what has happened, not only in Germany but in Greece, Italy, perhaps even France and elsewhere. Yet it is a statement of historical fact that few Americans, particularly in our government, are willing to recognize.

Again Mr. Warburg cites examples showing "the extent to which the cold war has become an end in itself in American policy." He is not sparing of the Russians: "A regime which maintains itself at home by the use of force, terror and conspiracy cannot readily renounce these weapons as instruments of its foreign policy." Yet he feels that self-interest may force the Russians to accept a world in which "new facts" are created by Western statesmanship. Mr. Warburg's eminently sensible viewpoint has made little headway; events, however, may force us to accept it.

ALEXANDER H. UHL

Alexander H. Uhl is former Foreign Editor of the newspaper "PM."

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THE PROBLEM OF EVIL

WALK WITH THE DEVIL, by Elliott Arnold (Knopf; $3).

THE EYES OF REASON, by Stefan Heym (Little, Brown; $3.75).

THESE TWO political novels, both employing the Biblical theme of brother conflict, are symptomatic of the widening gulf between literary activity and moral sensibility in our time.

Elliott Arnold's brothers are Italians—a Fascist gangster deported from the United States, and an OSS captain ordered to save American lives by making a vile deal with the brother he had helped to deport. Bartolomeo is a mixture of Lucky Luciano and Fu Manchu; we have seen his counterpart all too often in the movies. Brother Guy is less comical only because good is more difficult to caricature than evil. But we have met this Major Joppolo before too, this meaningless war-novel cipher festooned with the threadbare garments of official, slick-magazine liberalism.

The clash between the two constitutes Arnold's eighth novel. Apparently this glib reduction of a profoundly important theme to the dimensions of a movie script represents the limit of his understanding of the problem of evil.

Stefan Heym's brothers are Czechs, reunited after the war in their home town. Joseph, back from the RAF, reclaims the family glass works, connives against the republic and has to flee the country in a hijacked airplane. Brother Thomas, an eminent but weak man of letters who had passed the war years lecturing and broadcasting in America, is unable to adjust himself and commits suicide. Brother Karel, who had stayed home and been thrown into Buchenwald, joins the local Action Committee and remains to build socialism.

For the first few hundred pages one can believe this is a leisurely family chronicle in the tradition of Galsworthy or Bennett. Only gradually does it become apparent that the book is nothing more or less than an extended apology for the establishment of a police state.

There may be some to whom *The Eyes of Reason* may irresistibly recall, with appropriate nostalgia, the proletarian novels of an uncomplicated past. Mr. Heym's recital even manages a happy ending—which the proletarian novels could never achieve—for his stern but magnanimous workers, with the unselfish assistance of Klement Gottwald, not only have their climactic strike, but go on to take state power and drive out the scheming capitalists.

All too unfortunately, things have happened in the recent past which make it impossible to view this version of history with a rueful smile. Heym's narrative ability, far superior to Arnold's, is all the more reason for condemnation of this base misuse of his talents. And the odor of corruption arising from the pages of his novel is totally absent from Arnold's, which, with all its standard talk about prostitution and racketeering, has by contrast a fresh American innocence in the face of genuine evil. HARVEY SWADOS

Harvey Swados reviews for the "Nation," the New York "Post" and the "Progressive."

THEATRE

Two Moralities

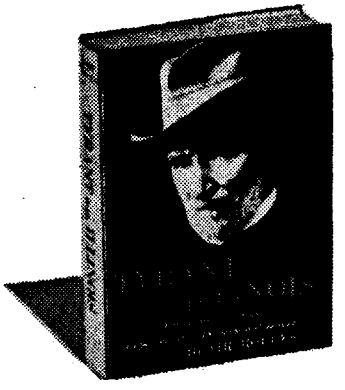
THE NEW Rodgers and Hammerstein hit, "The King and I," is a pleasant affair. Its story—based on the novel *Anna and the King of Siam*, in itself a nice yarn—is most unusual for a Broadway musical. It has color, sentiment and a quality of good will which, it seems to me, is the source of Oscar Hammerstein's appeal as a song writer.

Musically, "The King and I" is probably the weakest of the Rodgers scores, because the story requires an operetta-like treatment and Rodgers' talent lies more in the direction of the normal American musical, with its bubbling straightforwardness and blithe energy. This story of the education of an obscure Oriental potentate by a proper English governess has in it an element of reflectiveness and serenity which demands what might be called a pastel-like touch or the enveloping atmosphere of a gentle morning song.

That is where Oscar Hammerstein's peculiar gift was able to save the situation. There is nothing English in Hammerstein's style—and Margaret Landon's story is thoroughly English—but there is a warm-heartedness in Hammerstein, an underlying fatherliness of feeling, that lends "The King and I" an endearing tone which triumphs over most of its weaknesses. Hammerstein, in brief, is an unconscious and unpretentious moralist on the level of the simple, honest citizen, and that citizen, though he may not realize it as a member of a New York theatre audience, is eager to be comforted by some form of sincerely meant human affection. Hammerstein supplies sincerity—and we are grateful.

Actually "The King and I" has only

UNCLE JOE CANNON'S
experiment with
personal power



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two outstanding musical numbers. One of them, a "Puzzlement," is more recitative than song; a charming scene, chiefly pantomime and dance, in which the king's children are presented to their new governess. The other is a quaintly humorous ballet; a quasi-Chinese dance version of "Uncle Tom's Cabin" by Jerome Robbins. The rest of the show is mainly expensive decoration and mild convention. The costumes are lavishly handsome without being emotionally communicative. The children are enchanting, a subdued Gertrude Lawrence is gracefully engaging and Yul Brynner gives a more authentic acting performance than one is accustomed to on the musical-comedy stage.

But for me the star of the evening is Oscar Hammerstein telling us modestly that nothing in this world is certain but that it is still wonderful for men to try to learn and for children to begin where their fathers left off.

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Social Action

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It may be heresy to say so, but while I am able to accept and enjoy Oscar Hammerstein's popular and oblique homily, I cannot do so with Connelly's "The Green Pastures."

This has nothing to do with the inferiority of the present revival. There are many funny lines in the play and even phrases like Noah's reference to the flood as a complete rain which cannot fail to tickle one, but I am constantly aware in the play that we are being asked to lend ourselves to a simplicity that is not truly folk-like or religious even in the most primitive sense, and to a third-hand appreciation of Negro speech and psychology.

"The Green Pastures" has always seemed to me a deft, picture-book sort of play for big-city people who are nostalgic about a quality they believe their parents or grandparents once possess and which they can only recapture in the form of "clever" fun—gay pigment and self-consciously cute drawing. I find no trace of genuine moral sentiment here, only the pseudo-religiosity of the Easter pageant in the larger movie houses—far more skillful and entertaining, of course, but only a little less hypocritical. HAROLD CLURMAN

Movie note. There is nothing in the film record of "Kon-Tiki" that will surprise the readers of Thor Heyerdahl's splendid book, and nothing in it that will disappoint them. With the same modesty and cheerful courage that characterized the text, this film diary describes the day-by-day adventures of the six voyagers (five Norwegians and a Swede) who sailed on a balsa raft from Peru to Polynesia in three and a half months to test Heyerdahl's theory that it was thus the forefathers of the islanders came from the East. Heyerdahl is scrupulous to point out that he has not proved his theory, but only shown that it is tenable. However, it is evident that he himself believes it, and as you watch the raft wallowing along week by week, one more fabulous sea creature surrounded by whales and sharks and the lesser natives of the busy Pacific, it seems clear that he is right.

Heyerdahl discusses the film (well edited from the 16-mm. footage) in a quiet, entirely charming commentary; Ben Grauer speaks an introduction that is probably no longer than necessary to orient those unfamiliar with the expedition's aims and navigational tactics.

The British have a reputation second to none for espionage and romances about espionage, and the failure of "Odette," said to be the true account of a World War II exploit, is therefore an unexpected disappointment. It may well be the attempt to deal honestly with facts and discreetly with people still living that gives the picture its vague and somewhat vacuous air, but I think it is more a case of bad planning than good manners. At any rate, Trevor Howard and Anna Neagle, as a pair of British agents in France, bungle about for a time in a painfully conspicuous way and then are picked up and shockingly mistreated by the Germans. Marius Goring portrays a neurotic German officer devoted to the piano and dependent for security on a pair of sunglasses. He is distressingly pat for a true story.

A more conventional but considerably more entertaining adventure yarn, also starring Howard, is "The Golden Salamander." This concerns archeology in Tunis, complicated by gun-running and love. Anouk (she was Anouk Aimée a couple of weeks ago in "The Lovers of Verona") is no actress but a winsome, shapely girl and she provides an effective Latin spark for Howard's somewhat damp Anglo-Saxon tinder.

ROBERT HATCH

ON THE AIR

Chances for Peace

SATURDAY EVENINGS, from 6:15 to 6:30, CBS is broadcasting "The Price of Peace," a new program originated by the United Nations Radio Division. It's all talk, but the speeches are significant—a program worth attention. Each week, one chief-of-delegation presents his government's official views on the possibility of achieving peace through current United Nations activities.

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The UN's Assistant Secretary General in charge of the Department of Public Information, Benjamin Cohen, opened the new series with a brief introduction. The summation of aims is best given in his own words:

Everybody would like to have answers to such questions as: What are the prospects for the pacific settlement of the basic issues now before the peoples of the world? Above the contradictory appeals of national views now being put forward through all media of information and propaganda, can the peoples find more precise and constructive statements on the position of the governments? Is the nature of present tensions and conflicts such that honorable compromise can no longer be achieved? Must the world surrender to the defeatist prospects of a mass destructive war? Are there no areas of coincidence which reduce the gulf among conflicting interests and ideologies? Which are the moral forces at work for a rapprochement of those nations now at serious odds? What is, indeed, the "price of peace"?

Sir Benegal N. Rau of India was the first speaker on this program. What he had to say was not new. But the fact that India's position is still officially hopeful—Sir Benegal had cleared his script with New Delhi before going on the air—was itself heartening. On the schedule for the following weeks, as of press time, are Carlos P. Romulo of the Philippines; Sir Gladwyn Jebb of Great Britain; Mexico's Dr. Luis Padilla Nervo and Warren R. Austin of the US. There will be 14 programs in all.

The schedule for "The Price of Peace" may vary from city to city at the convenience of local stations. But radio is giving the series wide coverage—not only in the United States but all over the world. You will find yourself repaid for the slight trouble involved if you check your local outlet to make sure that the program has been logged or that your broadcaster will undertake to book it.

"Citizens of the World" is another new program coming from the United Nations. Like "The Price of Peace," it is a 15-minute show and it too may be broadcast locally at different times on different days. Some of the heroes on "Citizens of the World" are United Nations martyrs—famous ones, like Count Folke Bernadotte, and others less well known, like the Radio Division's own Sanford Major who was killed in a plane crash in India last summer after setting up a communciations network which was to help stop the "little" war between India and Pakistan. Others whose stories or lives are dramatized on this program are such men as Lord John Boyd-Orr, the Nobel Prize winner from Scotland who headed the Food and Agriculture Organization; Dr. Ralph J. Bunche; Professor Raphael Lemkin, who started the campaign for the international outlawry of genocide. One story concerns a Yugoslav doing important work for the United Nations Children's Emergency Fund, another deals with an American social worker extending welfare services to children in Greece. All the principals are people whose assignments have a direct relation to world citizenship and the battle for peace.

The FCC has issued what is technically called a "proposed ruling" on TV channel allocations. In the daily press, this new plan looked very good—roughly 10 percent of the channels would be given over to educational broadcasters. But if you think that's a victory, I suggest that you stop cheering long enough to discover what education's champion on the FCC, Commissioner Frieda B. Hennock, said in a formal expression of her separate views. Miss Hennock charges against the Commission that:

1. It failed to provide facilities for educational TV in many of the country's major cities.

2. In other large centers—like New York City, Los Angeles, Philadelphia, Washington—it kicked education upstairs to the ultra-high-frequency part of the spectrum which is therefore a field only for experimentation; there are no UHF stations, transmitters or receivers.

3. Because it was worried about "monopoly," the Commission assigned no educational frequencies in cities limited for technical reasons to two stations. The FCC's idea is that there should be at least two commercial stations in a city. Miss Hennock says she is more worried by "cultural monopoly" than by the commercial kind.

SAUL CARSON

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